

Brokerage Agreement

This Brokerage Agreement (hereinafter referred to as "**Agreement**") is made and effective on XX of XXX 2021 between **Francorp Middle East** and

Francorp ME a company organized and existing under the laws of Dubai, whose office is located at FrancorpME 706, Single Business Tower Sheikh Zayed Road, Dubai UAE, hereinafter referred to as "**Francorp**" and

..., a company organized and existing under the laws of the ... hereinafter referred to as the "**Client**";

Francorp and the **Client** are hereinafter referred to collectively as the "**Parties**" and individually as a "**Party**";

WHEREAS, **Francorp** is engaged in the business of providing franchise consulting, franchise program development, franchise sales and marketing, general franchise consulting services and other activities, primarily to franchisor organizations; and

WHEREAS, **Francorp** is also engaged in representing and providing assistance to franchisors in their expansion including, but not limited to expansion in US, Europe, Middle East, GCC, Asia, Mexico, Central America and South America, etc; and

WHEREAS, the **Client** desires to introduce his business concept to the countries and/or regions, and under the formats described in Appendix "A" (hereinafter referred to as "**New Markets**") and is desirous of procuring the services of **Francorp** to provide assistance in entry to these markets and accessibility to prospective investors and/or partners and/or buyers; and

WHEREAS, the **Parties** desire that this preamble and all schedules or other attachments to this **Agreement** be deemed to be constructed together and made a part of the **Agreement** between them;

NOW, THEREFORE, in consideration of the mutual promises and of the covenants agreements set forth herein, and for the other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, the **Parties** hereto, intending to be legally bound hereby agree as follows:

ARTICLE 1. Appointment and Duration

- 1.1. **Francorp** is hereby appointed as a non-exclusive agent with authority to promote and otherwise assist the **Client** in entering the **New Markets**.
- 1.2. The authority hereby granted shall be effective and binding beginning on the date of signature of this **Agreement**.
- 1.3. That authority shall continue for an initial term of twelve (12) months.
- 1.4. The authority granted herein shall automatically continue for equal additional successive terms unless either **Party** to this **Agreement** gives written notice of its election not to renew thirty (30) days prior to the expiration of the initial term of this **Agreement**.

ARTICLE 2. Client's Obligations

- 2.1. The **Client** agrees to submit to **Francorp** for its review its contacts and materials associated with its present franchise program, including, without limitation, franchise agreements, offering circular documentation, financial statements, sales brochures, videotapes, other promotional and sales materials, and any other materials of public record of which have become a part of the public domain. Such materials shall be submitted to **Francorp** so that **Francorp** may be able to conduct a preliminary review to determine the adaptability and feasibility of the **Client's** franchise system, organizational, concept and activities as it relates to its introduction to the **New Markets**.
- 2.2. Upon the **Client's** receipt of notification from **Francorp** of **Francorp's** acceptance of the appointment, the **Client** agrees to the following:

- 2.2.1. The **Client** shall make available to **Francorp** a letter of appointment informing To Whom It May Concern that **Francorp** carries the authority to promote the **Client's** introduction in the **New Markets** according to text presented in Appendix B of this **Agreement**.
- 2.2.2. The **Client** shall make appropriate staff members available for presentations at seminars and conferences to potential investors and/or partners and/or buyers for marketing its franchise concept.
- 2.2.3. The **Client** is solely responsible for all travel, food, lodging and out-of-pocket expenses incurred by its staff members associated with making presentations at seminars and conferences and meetings with prospective investors and/or partners and/or buyers.
- 2.2.4. The **Client** agrees to furnish written and such other materials as reasonably requested by **Francorp** and hereby authorizes **Francorp** to distribute such materials as it deems necessary and appropriate to prospective investors and/or partners and/or buyers including, but not limited to, franchise agreements, offering circular documentation, sales brochures, videotapes and other non-confidential promotional materials.
- 2.2.5. The **Client** agrees to respond, in writing to all offers or proposals received from prospective investors and/or partners and/or buyers within thirty (30) days upon receipt thereof. In the event **Francorp** receives from prospective investors and/or partners and/or buyers any offers or proposals on behalf of the **Client**, **Francorp** shall promptly forward the same to the **Client**.
- 2.2.6. In the event the **Client** receives offers and proposals from prospective investors and/or partners and/or buyers, the **Client** agrees to promptly submit to **Francorp** copies of all such offers and proposals. Furthermore, the **Client** agrees to simultaneously forward to **Francorp** copies of all the **Client's** responses and or counteroffers to any such offers or proposals received by the **Client** from prospective investors or purchasers.
- 2.2.7. The **Client** shall be responsible for procuring its own legal counsel for the development of any **Client** legal documentation and procedures. It shall be the sole responsibility of the **Client** to comply with all applicable foreign laws, rules and regulations pertaining to any aspect of a franchise and /or license relationship, including, without limitation, pre-sale disclosures, taxes, contractual terms and related laws. The **Client** specifically acknowledges that **Francorp** is not responsible for tax, legal compliance or other legal implications of the **Client's** expansion into the **New Markets**.
- 2.2.8. The **Client** covenants and warrants hereby that it shall be in compliance throughout the term of this **Agreement** of all applicable state statutes and regulations with respect to franchise registration and disclosure requirements and other applicable franchise compliance requirements to the extent such statutes and regulations apply to the **Client**. The **Client** represents and warrants throughout the term of this **Agreement** that all documentation, information and representations, including but not limited to that contained in the **Client's** sales and promotional brochures, offering circulars or equivalent documentation and sales videotape provided to **Francorp** and to prospective investors and/or partners and/or buyers shall be true, correct, accurate and current, and in compliance with applicable law.

ARTICLE 3. Francorp's Obligations

- 3.1. **Francorp** agrees to provide introduction and related assistance to the **Client** and its business concept, activities and organization associated with its franchise program in accessing prospective investors and/or partners and/or buyers for entry and expansion in the **New Markets**
- 3.2. **Francorp** will provide to the **Client** consultation and assistance in the preparation for its presentations to prospective investors and/or partners and/or buyers.
- 3.3. **Francorp** may, but is not obligated to, accompany the **Client** in making its presentations at seminars, conferences and meetings and may accompany the **Client** at the **Client's** request and expense. The **Client** is responsible for all reasonable

expenses incurred by **Francorp**'s staff in conjunction with these activities.

- 3.4. **Francorp** shall arrange, as deems appropriate and necessary, for the translation of the **Client**'s materials, including franchise agreements, offering circular documentation, marketing brochure, sales videotapes and other promotional materials from the English language to the language of the prospective investors and/or partners and/or buyers. It is common business practice that the costs and expenses incurred for such translations shall not be the responsibility of **Francorp**. The **Client** shall be responsible for such costs and expenses provided that **Francorp** advises the **Client** in writing in advance, and the **Client** approves such costs and expenses.

ARTICLE 4. Professional Fees

- 4.1. In consideration of **Francorp**'s assistance to the **Client** in procuring prospective investors and/or partners and/or buyers contemplated herein, the **Client** agrees to remit to **Francorp** the sum equal to ... percent (...%) of the franchise fees to the expansion of its business concept in the **New Markets agreed upon**, or the minimum sum of ... US Dollars, whichever is higher.

In consideration of **Francorp**'s assistance to the **Client** in procuring prospective investors and/or partners and/or buyers contemplated herein, the **Client** agrees to remit to **Francorp** the sum equal to ... percent (...%) of the fees and/or other considerations received by the **Client** from investors and/or partners and/or buyers for the rights granted to those prospective investors and/or partners and/or buyers to the expansion of its business concept in the **New Markets**, or the minimum sum of ... US Dollars, whichever is higher (in the case of CLIENT NAME forwarding the potential franchisee for Francorp's assistance).

- 4.2. The **Client** shall pay to **Francorp**, or **Francorp**'s all amounts due and owing to **Francorp** in cash, thirty (30) days after receipt by the **Client**. Such sums shall be paid to **Francorp** in **United States currency**.
- 4.3. Should the **Client** choose to take partial ownership in the group of prospective investors and/or partners and/or buyers that will conduct the expansion program in the **New Markets**, the **Client** shall be responsible to pay **Francorp** the considerations as described in paragraph 4.1 and 4.2, being the base for calculation the amount of moneys that the percentage of ownership represents.
- 4.4. The **Client** agrees and covenants that, in the event it contracts for the sale or purchase of its franchise concept as described in Exhibit "A" herein (i) during the term of this **Agreement**, or (ii) for a period of one (1) year after the expiration of this **Agreement**, or (iii) if a **Client**'s franchise concept is sold directly or indirectly after termination of this contract to a prospective investor and/or partner and/or buyer procured by **Francorp** and so registered in writing by **Francorp** to whom it was offered during the term of this **Agreement**, **Francorp** shall be entitled to all amounts as provided for in Paragraphs 4.1, 4.2 and 4.3 herein.
- 4.5. In the event the **Client** requests that **Francorp** undertakes the preparation and completion of any work product or provide any additional services, such work product and services shall be billed to the **Client** by **Francorp** in accordance with **Francorp** ordinary billing schedules. Such work product and services shall only be undertaken by **Francorp** with prior approval from the **Client**.

ARTICLE 5. Confidentiality Obligation and Confidential Information

- 5.1. **Francorp** specifically acknowledges that, pursuant to this **Agreement**, **Francorp** will receive valuable information, knowledge and know-how, including, without limitation,

information regarding marketing, promotional, operational, sales and other methods and techniques of the **Client**. Further, **Francorp** shall have access to various printed, audio and video materials and related information, and other confidential matters necessary and useful to the success of the venture contemplated herein (hereinafter referred to as the "**Confidential information**").

- 5.2. **Confidential Information** shall also include all information of a confidential nature concerning the **Parties'** business, trademarks or system, as well as all ideas, concepts, data, materials, products, technology, computer programs, specifications, manuals, business plans, software, marketing plans, market information, financial information, and other information disclosed or submitted, orally, in writing, or by any other media, disclosed mutually between the **Parties**.
- 5.3. Each **Party** shall at all times and notwithstanding any termination or expiration of this **Agreement** hold in strict confidence and not disclose to any third party **Confidential Information** of the other **Party**, except as approved in writing by the other **Party**.
- 5.4. Each **Party** shall at all times and notwithstanding any termination or expiration of this **Agreement** use the **Confidential Information** for no purposes other than the performance of this **Agreement**.
- 5.5. Each **Party** shall only permit access to **Confidential Information** of the other **Party** to those of its employees or authorized representatives having a need to know and who have signed confidentiality arrangements or are otherwise bound by confidentiality obligations at least equivalent to those contained herein.
- 5.6. **Confidential Information** furnished in tangible form shall not be duplicated and/or reproduced in any form by either **Party** except as required for the performance of this **Agreement**. Any duplication and/or reproduction of any **Confidential Information** of the other **Party** by either **Party** shall remain the property of the disclosing **Party** and shall contain any and all confidential or proprietary notices or legends which appear on the original, unless otherwise authorized in writing by the disclosing **Party**.
- 5.7. **Francorp**, and persons controlling, controlled by or under common control with **Francorp**, shall at all times treat as confidential, the **Confidential Information** and any other information or materials designed by the **Client** for use with the venture contemplated herein from time to time (as well as all other trade secrets, if any, and **Confidential Information**, knowledge and know-how concerning the **Client's** present business or other activities to be engaged in that may be imparted to or acquired by **Francorp** from time to time in connection with this **Agreement**) and shall use all reasonable efforts to keep such information confidential.
- 5.8. **Francorp** agrees that it shall not at any time, during or after the term of this **Agreement**, without the **Client's** prior written consent, disclose or use or permit to use (except as may be required by applicable law with written notice to the **Client** or authorized by this **Agreement**) such **Confidential Information**, in whole or in part, or otherwise make the same available to any unauthorized person or source.
- 5.9. Any and all **Confidential Information**, knowledge and know-how, except information which is or has become part of the public domain through publication or communication by others shall be deemed confidential for purposes of this **Agreement**.
- 5.10. the **Client's** operations manuals, training manuals, software programs, databases, customer lists and any other manuals or materials associated therewith that may have been provided to **Francorp** in connection with the activities contemplated hereunder shall at all times be deemed to be, and shall remain, the sole property of the **Client**, and **Francorp** shall acquire no right, title or interest therein by virtue of its authorization pursuant to this **Agreement** to possess and use the same.
- 5.11. the **Client** agrees to maintain all confidential information and know-how of **Francorp**, whether of an economic, technical, business, marketing or promotional nature, which is disclosed to it or which it comes to know during the course of the performance of this **Agreement**, in strict confidence and not to disclose any such confidential information or know-how to any third party, except for the purposes of, and as contemplated by, this **Agreement**.

- 5.12. Notwithstanding the above, the **Party** to whom **Confidential Information** was disclosed (hereinafter referred to as the "**Recipient**") shall not be in breach of ARTICLE 5 of this **Agreement** with regard to a disclosure that was in response to a valid order by a court or other government bodies, provided that the **Recipient** provides the other **Party** with prior written notice of such information.
- 5.13. The **Recipient**, upon the request of the other **Party**, shall return all **Confidential Information** received in written or tangible form, including copies, or reproductions or other media containing such **Confidential Information** immediately to the other **Party**.
- 5.14. In the event this **Agreement** is terminated or expires, **Francorp** shall return all **Confidential Information**, including any copies thereof in **Francorp**'s possession, to the **Client**.
- 5.15. The **Confidentiality Obligations** shall not apply to any information, whether or not such information is **Confidential Information**, which: (a) was publicly available or in the public domain at the time it was communicated to the **Recipient**; (b) is or becomes publicly available or public domain information through no fault of the **Recipient**; or (c) is independently developed by the **Recipient** but not as a result of any disclosure of **Confidential Information**.
- 5.16. It is understood that the **Confidential Information** disclosed by a **Party** to the **Recipient** shall remain the disclosing **Party's** exclusive property and that the present **Agreement** shall not give to the **Recipient** any right on the **Confidential Information**.
- 5.17. Each **Party** shall notify the other **Party** upon discovery of any loss or unauthorized disclosure of the **Confidential Information** of the other **Party**.
- 5.18. On reasonable demand by either **Party**, but in any event upon termination of this **Agreement**, each **Party** shall surrender to the other all memoranda, notes, records, drawings, manuals, reports, computer software, and other documents or materials (and all copies of the same) that have been obtained from the other **Party**.
- 5.19. All **Confidential Information** is provided "AS IS" and without any warranty, express, implied or otherwise, regarding its accuracy or performance.
- 5.20. The **Parties Confidentiality Obligations** under this **Agreement** shall be effective from the date of disclosure of any part of the **Confidential Information** and shall be in force as long as a part of the **Confidential Information** remains confidential.

ARTICLE 6. Other Terms and Conditions

- 6.1. The **Client** acknowledges the importance and necessity for **Francorp** to publicize, promote and maximize public recognition of the **Client's** business concept in the **New Markets** through a series of actions aimed at the achievement of such recognition, including, but not limited to, press releases, appearance at franchise and trade shows and representations to the public as a client of and represented by **Francorp**. The **Client** has the right to approve the information prior to its dissemination.
- 6.2. Neither **Party** hereto shall have the right to bind the other **Party** to transact any business in the other **Party's** name or to assume or create any obligation or responsibility, expressed or implied, on behalf of the other **Party** in any manner or form except as expressly provided for in this **Agreement**. It shall be the sole right of the **Client** to accept, reject, alter, or otherwise modify any offer or proposal made by prospective investors and/or partners and/or buyers.
- 6.3. **Francorp** shall be an independent contractor under this **Agreement** and neither **Francorp** nor its personnel shall be, or shall be deemed to be the servants, agents or employees of the **Client**.
- 6.4. Neither **Party** shall assign or transfer any rights or obligations under this **Agreement** without the prior written consent of the other **Party**.

- 6.5. This **Agreement** may not be amended except by a written consent by both **Parties**.
- 6.6. The language of this **Agreement** shall be construed according to its fair meaning and not strictly for or against either **Party**, without regard to which **Party** is deemed to be the drafter of this **Agreement**.
- 6.7. In the language of this **Agreement**, the singular shall include the plural; use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.
- 6.8. If any part, term or provision of this **Agreement** shall be held void, illegal, unenforceable, or in conflict with any law having jurisdiction over this **Agreement**, the validity of the remaining portions or provisions shall not be affected thereby.
- 6.9. A waiver of a default of any term of this **Agreement** shall not be construed as a waiver of any succeeding default or as a waiver of the provision itself. A **Party's** performance after the other **Party's** default shall not be construed as a waiver of that default.
- 6.10. This **Agreement** may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same **Agreement**.
- 6.11. The **Client** is not authorized to use **Francorp's** name in connection with its franchise program without **Francorp's** express written consent.

ARTICLE 7. Disclaimer of Liability

- 7.1. The **Client** expressly acknowledges that **Francorp** makes no representation or warranty regarding the ultimate financial or operational success of the **Client's** franchise business. Accordingly, in no event shall **Francorp** or its directors, officers, employees or agents be liable for any incidental, indirect, special, or consequential damages, claims, lost profits, financial losses or adverse consequences of any sort whether by or from any third party arising out of the performance of this **Agreement**. The **Client** shall indemnify and defend **Francorp** against claims by any third party except claims resulting from **Francorp's** fault or neglect.
- 7.2. **Francorp** will not be responsible for performing due diligence and will not independently verify representations of fact made by the **Client** to **Francorp** for the purposes of this **Agreement**.

ARTICLE 8. Termination

- 8.1. This **Agreement** may be terminated by **Francorp** if the **Client** is in breach of any of the payment terms of this **Agreement** set out in ARTICLE 4 and the **Client** has failed to remedy such breach within fifteen (15) days of receiving written notice from **Francorp** of the nature of the breach and requiring the **Client** to remedy the breach.
- 8.2. This **Agreement** may be terminated by either **Party** in the event that the other **Party** is in breach of any of the material terms (other than payment terms set out in ARTICLES 4) of this **Agreement**.

Force Majeure

- 8.3. For the purposes of this **Agreement**, "**Force Majeure**" means circumstances, events and conditions which the **Parties** could not influence, for which they do not bear liability and that would render the fulfilment of each **Party's** obligation under this **Agreement** impossible or at any reasonable measure to be considered impossible in the circumstances, and includes, but is not limited to, war, earthquakes, flooding, fires accidents, strikes, military actions and resolutions or instructions of the government executive and management authorities such as travel warnings declared by Foreign Ministry of the United Arab Emirates.

- 8.4. Neither **Party** shall be liable for any delay in performing or failure to perform obligations if the delay or failure results from events or circumstances outside its reasonable control, hereinafter referred to as **Force Majeure**. Such delay or failure shall not constitute a breach of this **Agreement**.
- 8.5. If either **Party** is unable to carry out its obligations under this **Agreement** due to **Force Majeure**, such **Party** shall give notice immediately to the other **Party** of the event.
- 8.6. In the event that a **Force Majeure** event exceeds thirty (30) consecutive days, then within the following thirty (30) days' period, the **Parties** shall meet and negotiate the continuation, suspension, termination or other disposition of this **Agreement**. Notwithstanding the forgoing, nothing herein shall excuse the **Client** from making payment to **Francorp** of any amount due under this **Agreement** up until the **Force Majeure** event. Upon removal or cessation of the **Force Majeure** event, all obligations under this **Agreement** shall resume.
- 8.7. In the event of amendment of the **Agreement** as a result of a **Force Majeure** event, the **Parties** shall negotiate new terms and conditions.

ARTICLE 9. Governing Law and Dispute Resolution

- 9.1. This **Agreement**, and the rights and obligations of the **Parties** hereunder, shall be governed by and construed in accordance with the laws of the United Arab Emirates.
- 9.2. All controversies, disputes or claims arising between the **Client** and **Francorp** in connection with, arising from, or with respect to: (a) any provision of this **Agreement** or any other agreement related to this **Agreement** between the **Parties**; (b) the relationship of the **Parties** hereto; (c) the validity of this **Agreement** or any other agreement related to this **Agreement** between the **Parties**, or any provision thereof; or (d) any monetary claim arising out of or relating to this **Agreement**, which shall not be resolved within fifteen (15) days after either **Party** notifies the other in writing of such controversy, dispute or claim, shall be submitted for arbitration to the appropriate authority. Such arbitration proceedings shall be conducted in accordance with the laws of the United Arab Emirates.
- 9.3. The **Parties** agree that in the event of any breach or threatened breach of the terms of this **Agreement** by any **Party**, the other **Party** may obtain, in addition to any other legal remedies which may be available, such equitable relief as may be necessary to protect itself against any such breach or threatened breach.
- 9.4. If a claim is asserted in any legal proceeding for amounts owed to **Francorp** by the **Client**, or if **Francorp** or the **Client** is required to enforce this **Agreement**, the **Party** prevailing in such proceeding shall be entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees, whether incurred prior to or in preparation for or contemplating of the filing of such action or thereafter.

ARTICLE 10. Entire Undertaking

- 10.1. This **Agreement** contains the entire understanding between the **Parties** with respect to the subject matter hereof, and there are no representations, warranties, premises or undertaking other than those contained in the provisions above.

In Witness Whereof, the **Parties** hereto have caused this **Agreement** to be executed as of the date set forth above.

For and on behalf of the Client

For and on behalf of Francorp ME

Name:
Title:
Brand Name:
Country: United Arab Emirates

Name:
Title:
Francorp Middle East
United Arab Emirates

Appendix B

Sample Letter of Appointment
(to be printed on the Client's Letterhead)

Date: -- / -----, 2021

To Whom It May Concern:

This letter will inform you that Francorp Middle East/Levant is the agent to promote the introduction of our franchise system in the following markets:

.....

Therefore, all matters related to our introduction in those markets shall be carried by Francorp Middle East and/or its designees.

Sincerely,

Name:

Title:

Brand Name:

Country: United Arab Emirates