

Draft agreement /Sub-Division Agreement**Version 1.0****Date : 27/01/23****Babu Mandein,
Advocate****Sub -Division Agreement**

THIS AGREEMENT is made and entered into on thisth day of 2023 at Kannur

BETWEEN

Mr. Muhammed Hasbeer Bin Hashim S/o. Muhammed Hashim, Proprietor, GiroKab, Al Noor Tower, 1st Floor, Kannur City, Kannur 670003, Kerala, India hereinafter referred to as First Party which expression shall unless repugnant to the context be deemed to mean and include his assigns and successors as party of First Part

AND

Mr. S/o.

hereinafter referred to as “the Second Party” (which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and assigns) of the Second Party.

WHEREAS the first party has been engaged in a service-oriented business of setting up of online platform of providing and accepting of taxi and auto services through mobile applications.

ANDWHEREAS in connection with the setting up of infrastructure for the smooth functioning of the said service the First Party is setting up various sub-divisions in the various parts of the state.

ANDWHEREAS as per a negotiation between the parties herein the Second Party agreed to be in charge of subdivision of the First Party in the territory as stated hereunder and the First Party agreed to grant the same to the Second Party subject to the observances of following terms and conditions:

HENCE THIS DEED WITNESSETH AS FOLLOWS:

1. Term

- a. This agreement shall be effective from today initially for one year or till the termination as per the conditions laid down hereunder.

2. Area of Operation

- a. The Second Party shall be in charge of sub division of the First Party in and shall discharge functions as delegated to him time to time.

3. Services

- a. The following services shall be covered under this agreement which may be altered at any time with mutual consent
- i. Enrolling the drivers/ owners of taxis, autorickshaws and other hired vehicles in the App
 - ii. Making required advertisements in the area for prompting the customers in the area to subscribe in the App
 - iii. Provide training classes to the users of the App,
 - iv. Appoint sufficient promotion staff to give far and wide publicity to the App and services so as to get maximum subscribers in the area.

4. Exclusivity

- a. The First Party shall not appoint any other sub-division in charge without the consent and connivance of Second Party in the area allotted as stated above. However, in case the First Party feels that the circumstances warrant the setting up of any additional sub-division in the area the First Party is at liberty to do so in the said area.

5. Guidelines

- a. The Guidelines of the operations will be introduced by the First Party periodically by mutual consent.

6. App usage Fee

- a. The Second Party shall pay a sum of Rs. to the First Party which is the hire charges for using the app which shall not be refundable.
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7. Margin

- a. The Second Party shall be entitled to the share of 75% of the income generated in the operation in the designated area which shall be transferred to the account of the Second Party at the closing of every month. The margins shall be revised from time to time by mutual discussion.
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8. Operation

- a. The nature of the business operation is in the following sequence :-
 - i. The Second Party is purchasing the App license from the First Party,
 - ii. The Second Party is setting up a sub-division of the First Party in the area designated to the Second Party at the cost of the Second Party with the specifications as provided by the First Party,
 - iii. Second Party is Enrolling the drivers/ owners of taxis, autorickshaws and other hired vehicles in the App
 - iv. The Second Party is making required advertisements in the area for prompting the customers in the area to subscribe in the App
 - v. The Second Party is providing training classes to the users of the App,
 - vi. The Second Party is appointing sufficient promotion staff to give far and wide publicity to the App and services so as to get maximum subscribers in the area.
 - vii. Sharing of revenue from the operation as stated above.
- b. The Second Party shall take all measures to connect the service providers to the service receivers without taking any liability in the deal.
- c. All terms of use as stated in the App shall be applicable to the parties herein also treating the stipulations therein as part of this agreement.
- d. The first party is having exclusive rights over the entire business set up and App.

- e. The second party shall not engage in similar activities during this agreement or within two years after the termination of this agreement.
- f. Designs and patterns of the business and service shall exclusively be belonged to first party who has all rights to change the same at any point of time.

9. Security Deposit

- a. There is no security deposit as per this agreement and no such amount is accepted by the First Party from the Second Party.
- b. The Second Party also shall not accept any deposit or amount from the drivers and owners of the vehicles or from any users of the App without the specific written authorisation therefore by the First Party.

10.Sub Dealer/Agents

- a. The Second Party is at liberty to set up as many numbers of Sub- Divisions in the area as its branch with due intimation to the First Party. However, the second party shall not appoint any marketing agency without prior permission from the First Party.

11.Patterns, Design etc.

- b. The Second Party shall follow and use only the Pattern and design etc. of the First Party.

12.Subdivision Obligations

- a. The Second Party shall be solely responsible for the expansion of customer pool and development of the business in his area. The Second Party must promote the trade name and goodwill of the First Party and be zealous to create opportunities to reach those to the general public by way of business and personal advertisements and promotions at their cost if she desires so, as approved by the First Party.
- b. The monthly minimum target of the second party will be fixed from time to time.
- c. The First Party will offer promotions and bear promotion expenses based on their scheme.

d. The Second Party must pay all the levies of the land including municipal levies, octroi and entry and other taxes. The Second Party also hereby agrees to keep the business premises as per the civilian standards and legal measures minimum.

e. The Second Party should keep all business ethical standards so as not to misguide or prejudice the public on the functions of the Second Party itself and that of the First Party.

f. The Second Party has no right to withhold any amount due to the First Party. Separate settlement must be made on different accounts. First party also has no right to hold any amount payable to the second party on services and separate settlement must be done for each deal.

g. The Second Party must provide services only at rates fixed by the First Party and has no right to change the tariff and has no right to change the price either by decreasing or increasing it.

h. The Second Party is not permitted to print or publish anything or enter into contracts or agreements or appear before the press or undertake any such legal activities on behalf of the First Party without prior approval from the First Party in writing.

i. The Second Party shall hand over all complaints and suggestions about the services made by any person. It is solicited for the total development of the services.

j. The Second Party shall not link, transmit, distribute, manage, prepare or serve include with any rival or competitive business or use the trademark, concept and logo ambiguously which may cause the termination of this Agreement wholly.

k. The second party shall make his office in compliance with the specification and standard fixed by the first party by making required renovation work at his own cost.

13. Disputes

a. If any dispute arises which requires interpretation of this Agreement or any other dispute arises between the First Party and the Second Party shall be referred to an Arbitrator who will be appointed by the First Party as per the provisions of the Arbitration and Conciliation Act. The judgment given by the Arbitrator will be final and binding to both the parties. The language of the arbitration will be in English, The venue will be in the Administrative Head Quarters of the First Party.

14. General

a. The failure by the First Party to enforce at anytime or for any period of time any one or more of the terms and conditions of the agreement, shall not be construed as a waiver by the First Party of the performance by the Second Party of such terms and conditions or of the First Party's right thereafter to enforce each and every term and condition of this Agreement.

b. No waiver express or implied, by either of the Parties hereto of any rights hereunder, or of any failure to perform, shall be a continuing waiver or constitute or be deemed to constitute a waiver of any other right hereunder or of any claim or remedies available in law in respect of any other breach thereof by the other party hereto whether of similar or dissimilar nature.

c. In case of default of any of the conditions of this agreement the aggrieved party is at liberty to terminate this agreement by giving 30 days' notice to defaulting party and in that event the defaulting party is liable to compensate the aggrieved party with cost for any loss resulted thereby.

d. Two sets of this agreement is executed and each party is retaining with them one copy.

IN WITNESSES WHEREOF the parties here in put their respective signatures on this agreement on the day and year put above.

Witnesses:

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