

## **FRANCHISE AGREEMENT**

This agreement is signed on this 02/04/2022.

Between

SMC Pvt. Ltd., a private limited company incorporated under the company's Act 1956, in India and having its corporate office at Ambience Tower Gurgaon, herein after referred to as the "Franchisor".

And

Sachin Sharma S/o Ram Sharma Resides at B4 Green view apartment Vasant Kunj herein after referred to as the "Franchisee"

Both parties as above have expressed a desire of entering in to a franchise agreement to meet their respective objectives, which are set out here in below,

### **1. Definitions**

In this agreement the following definitions shall apply.

**1.1 Agreement:** means this franchise agreement.

**1.2 Franchise:** means the right granted by this agreement.

**1.3 Franchisor:** means the party described at the beginning of this agreement and here in referred to as be company.

**1.4 Franchisee:** means the party named in item Sachin Sharma of the first schedule and its legal representatives, successor and permitted assign.

**1.5 Business day:** means a day on which banks are open for trading in India

**1.6 Business Name:** means the name set out in item 2 of the first schedule which is the only name under which the franchisee shall conduct the business.

**1.7 Franchise fee:** means the initial fee payable by a franchisee for the grant and other matters as specified

**1.8 Intellectual property:** includes all licensed copyright design, trademarks, patent, process & corporate name, computer software licensed by SMC Pvt. Ltd. and the goodwill

of any licensed business name, secret process or confidential information licensed by the SMC Pvt. Ltd. including the marks of the system.

**1.9 Month:** means a calendar month

**1.10 Services:** means these services forming part of the system from time to time

**1.11 Response time:** to respond to all enquires by customers or potential customers on the same day as they are made.

**1.12 Communication:** the franchisee agrees to use such communication technology as the Guidance Clinic India Pvt. Ltd. May from time to time require.

**1.13 Franchisee meeting:** To convene meeting of franchisees as the Guidance Clinic India considers necessary.

**1.14 Advertising:** to refer the Guidance Clinic India for its prior approval the contents, style and media proposed to be used by the franchisee (including signage) for any advertising what so ever including the system and the business in the customer contracts premises or a proposed sale of a franchise business advertising approved by the company will be the cost of the franchisee.

**1.15 Inspection by Company:** to permit the company and its servant and agents (including the field consultant) at all reasonable times upon the provision of reasonable notice by the company to inspect and copy all books ,financial other records relating to the business.

**1.16 Confidential information :** means but not limited to the operation manual is , trade secrets, information , methods , ideas , concepts, price, forms, techniques , data base , copy right materials and all records relating to the system including Psychometric test.

**1.17 Customer:** means a person or entity with which the franchisee provides services.

**1.18 Discontinue:** means to terminate case the operating the business.

**1.19 Field consultant:** means any person nominated by the company from time to Time, visit the franchisee and facilitates the commercialization.

## **2. Appointment**

2.1 The SMC Pvt. Ltd. appoints the Franchisee on an exclusive basis in the territory and to

term and conditions of this agreement; franchisee can do online/offline counseling services and testing, workshop seminars and all SMC Pvt. Ltd. services in the exclusive territory.

2.2 The Franchisor hereby grants to the Franchisee all the relevant rights to carry on business as a Franchisee.

2.3 Franchisee can use the trade names, trademarks, of the SMC Pvt. Ltd. for the business purpose.

2.4 Franchisee can use the Franchisor's copyright, material, know-how, knowledge etc

2.5 Franchisee can use the benefit of the franchisor's accounting management and marketing knowledge and experience.

2.6 The Franchisee shall enter into a Registered License Agreement when required by the

SMC Pvt. Ltd.

### **3. Location**

The Franchisee will operate the franchised business from the following business address at Ambience Tower Gurgaon, maintaining a uniform standard facilities and services including uniformity in the charges levied from the client for rendering the specified services.

### **4. Franchise**

4.1 On the signing of this Agreement the Franchisee will pay to the Franchisor the sum of Rs. 5 lakh the Initial Franchise Fee.

4.2 The Franchisee shall also pay the Franchisor all reasonable expenses incurred by the Franchisor in obtaining payment from the Franchisee where any payment due to the Franchisor is overdue. Such costs to include (but not be limited to) legal fees, court fees and enforcement fees.

### **5. Term**

5.1 This Agreement shall remain in force for the period of 5 years from the date of signature by the parties.

5.2 The Franchisor agrees to allow the Franchisee to renew the Franchise subject to renewal terms being agreed and where the Franchisee has operated the Franchise successfully and in accordance with the terms of this Agreement and the Franchisee Manual.

### **6. Franchisor's Responsibilities**

The Franchisor will carry out the following during the term of this Agreement:

6.1 Provide a copy of the Operations Manual and a replacement copy of the Operations Manual if and when it is updated during the course of this Agreement

6.2 Provide initial training to the Franchisee, so that the Franchisee can successfully operate the Franchise.

- 6.3 Regularly monitor and audit the Franchise to ensure that quality standards are met and that service sale targets are achieved by the Franchisee.
- 6.4 Provide ad hoc advice where the Franchisee encounters operational problems that they are unable to overcome.
- 6.5 Franchisor Advice to franchisee on alterations to and fixtures and fittings in the Premises.
- 6.6 General advice to franchisee on how to set up the franchise.
- 6.7 Provide initial training programmers for the Franchisee.
- 6.8 Provide the Franchisee with knowhow, advice and guidance relating to the Business.
- 6.9 Supply products and service to the Franchisee.
- 6.10 Supply printed material when required

## **7. Franchisee's Obligations**

The Franchisee shall:-

- 7.1 Only use Printed material , Psychometric test, invoices, and Services which are supplied by the Franchisor
- 7.2 Operate the Business in accordance with the Operations Manual.
- 7.3 Use online/offline testing and Guidance and Counseling services in connection with the Business as have been approved by the Franchisor
- 7.4 Maintain the Premises to the highest standards and not carry out any alterations without the Franchisor's consent.
- 7.5 Use best endeavors to promote and extend the Business.
- 7.6 Operate the Business during hours specified by the Franchisor.
- 7.7 Ensure that staff is well dressed, clean and polite.
- 7.8 Franchisee should not appoint any person as employ and manager who has not completed the Franchisor's training course and been approved by the Franchisor.
- 7.9 At the request of the Franchisor provide potential information as reasonably requested.
- 7.10 Franchisee shall use the name franchise and the trademarks and symbols associated with the name of franchiser SMC Pvt. Ltd. and franchisee place of business such operation (service provide) shall be known only as SMC Pvt. Ltd.
- 7.11 Franchisee requires franchisor's approval whenever they want to do campaign, Newspaper advertisements with respect to advertising.
- 7.12 Use the trademarks, logos and name on the entire document in the same format given by Guidance Clinic India Pvt. Ltd., head office.
- 7.13 Franchisee has to display code of ethics of counseling in the office premise which is provided by the Guidance Clinic India Pvt. Ltd..
- 7.14 Franchisee collect the 100000 Rs/- and above, service charges have to collect by draft, Online transfer to SMC Pvt. Ltd. A/c or by cheque in the favor of SMC Pvt. Ltd..
- 7.15 Online registration of every client is compulsory.
- 7.16 Records of clients will be maintained by both of us Franchisee and franchisor.
- 7.17 GuidanceClinicIndia all service are payable and the entire client fee amount will be transfer to the Guidance Clinic India Pvt. Ltd. Account.

- 7.18 Appointments of staff with the approval of head office.
- 7.19 Make public any information obtained in the course of business.
- 7.20 When dealing with client Franchisee has no right to suggest any thing to client as a layman thought.
- 7.21 The franchisee should also advertise and promote the franchise in accordance with the directions, requirements and specifications of the franchisor from time to time.
- 7.22 Franchisee should enhance and promote the intellectual property, goodwill and reputation of the franchise at all times.
- 7.23 The Franchisee will maximize efforts to develop the franchise and maintain the image, identity and reputation of the entire franchising system.
- 7.24 The Franchisee hereby undertakes to supply the Franchiser with all information concerning office operation, enabling evaluation of the quality of business management, as well as the financial reports required for effective management of the Chain. The Franchisee will allow the Franchiser and/or its Representatives or Field Consultant free access to the franchised business premises and permit examination of the relevant documents at any official timing.
- 7.25 The obligation to properly maintain and keep clean business premises, office computer, internet and account books
- 7.26 The obligation to provide excellent customer service.
- 7.27 Franchisee has to arrange basic requirement which includes 1 computer set with printer and fax , webcam with Headphone , Broadband internet connection, 1 table and 3 chairs, 1 display board, 1 letterbox, 1 book shelf , audio and video recorder ,and ceiling fan in office premise .

## **8. Management Charge**

- 8.1 The Franchisee shall pay a Management Charge 25 % of gross turnover on monthly Services sales.

## **9. Advertising**

- 9.1 The Franchisee shall spend a minimum of Rs. 10,000 per year on advertising in the Franchisee's territory.
- 9.2 All advertising is to be approved by the Franchisor.

## **10. Sale of Business**

- 10.1 The Franchisee shall have no right to transfer the franchise

## **11. Confidentiality**

- 11.1 "Franchise" shall keep all information of confidential nature as strictly confidential and shall not disclose it to third Parties without the prior written consent of SMC Pvt. Ltd. during

the term of this Agreement.

11.2. "Franchise" agrees not to disclose revenue Information without prior written consent of SMC Pvt. Ltd.

## **12. Non-Competition**

Neither the Franchisee nor the Individuals will during the term of the franchise:-

12.1 Carry on any other business.

12.2 Entice employees from the Franchisor or other franchisees.

12.3 Use or disclose confidential information for any purpose other than a purpose set out in the Agreement.

## **13. Termination**

The Franchisor may terminate this Agreement if the Franchisee:-

13.1 Fails to commence business within one months of execution of the Agreement

13.2 Persistently defaults in payment of any amounts due to the Franchisor

13.3 Is found to have supplied materially and services false or misleading information in or supporting the franchise application

13.4 Goes into liquidation/bankruptcy or is insolvent

## **14. Consequences of Termination**

The Franchisee:

14.1 Must cease use of the Franchisor's trade name and trademarks and must not there after hold itself out as being a franchisee of the Franchisor.

14.2 Must pay to the Franchisor all sums payable to the Franchisor whether or not then due

14.3 Shall return to the Franchisor all manuals literature promotional material letter heads Invoices or anything else which bears the trade name of or indicates any association with the Franchisor.

14.4 Shall provide the Franchisor with a list of all customers and potential customers of which it is aware.

14.5 shall not make use of or disclose any confidential information relating to the system oR the Franchised business

14.6 shall not compete with the Franchisor.

## **15. Dispute Resolution and Jurisdiction**

15.1 Any dispute, controversy or claims arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the provisions of the [Indian] Arbitration and Conciliation Act, 1996.

15.2 The arbitral tribunal shall be composed of three arbitrators, one arbitrator appointed by SMC Pvt. Ltd. , a second arbitrator appointed is one of the Director of SMC Pvt. Ltd., third arbitrator to be appointed by such arbitrators.

15.3 The place of arbitration shall be at Head office of Guidance Clinic India Pvt. Ltd. and

any award whether interim or final, shall be made, and shall be deemed for all purposes between the Parties.

15.4 The arbitral procedure shall be conducted in the Hindi language and any award or awards shall be rendered in Hindi. The procedural law of the arbitration shall be Indian law.

15.5 The award of the arbitral tribunal shall be final, conclusive and binding upon the Parties, and the provisions of the [Indian] Arbitration and Conciliation Act, 1996 shall apply.

15.6 The rights and obligations of the Parties under, or pursuant to, this Clause, including the arbitration agreement in this Clause, shall be governed by and be subject to Indian law, and the agreement shall be subject to the exclusive jurisdiction of the courts at Jaipur .

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