FRANCHISE AGREEMENT

This Franchise Agreement (the "Agreement") is made on [DATE] by and between:

[FRANCHISOR NAME]

[Address]

[City, State, ZIP]

(hereinafter referred to as the "Franchisor")

and

[FRANCHISEE NAME]

[Address]

[City, State, ZIP]

(hereinafter referred to as the "Franchisee")

1. GRANT OF FRANCHISE

1.1. The Franchisor hereby grants to the Franchisee the right to operate a [business type] franchise under the name "[Brand Name]" at:

[Location Address]

[City, State, ZIP]

2. TERM

2.1. Initial Term: [X] years from the date of this Agreement

2.2. Renewal Option: Subject to Franchisee's satisfactory performance, option to renew for [X] additional terms of [X] years each

3. FRANCHISE FEES

3.1. Initial Franchise Fee: $[X] payable upon signing this Agreement

3.2. Ongoing Royalty Fee: [X]% of gross monthly sales

3.3. Marketing Fund Contribution: [X]% of gross monthly sales

4. FRANCHISEE'S OBLIGATIONS

4.1. Operations

- Comply with Operations Manual

- Maintain quality standards

- Use approved suppliers

- Maintain required business hours

- Follow prescribed pricing guidelines

4.2. Training

- Complete initial training program

- Attend ongoing training as required

- Train staff according to Franchisor standards

4.3. Premises and Equipment

- Maintain premises to Franchisor standards

- Use approved equipment and supplies

- Renovate/upgrade as required by Franchisor

5. FRANCHISOR'S OBLIGATIONS

5.1. Initial Support

- Provide initial training

- Supply Operations Manual

- Assist with store setup

- Provide initial marketing support

5.2. Ongoing Support

- Provide continuing operational guidance

- Marketing assistance

- Product development

- System updates

6. INTELLECTUAL PROPERTY

6.1. Use of Trademarks

- Limited license to use brand marks

- Compliance with usage guidelines

- No unauthorized modifications

7. TERRITORY RIGHTS

7.1. Protected Territory

- Defined geographical area: [specify boundaries]

- Exclusivity terms and conditions

- Any exceptions or limitations

8. ADVERTISING AND MARKETING

8.1. Local Marketing

- Minimum spending requirements

- Approved marketing materials

- Territorial restrictions

8.2. National Marketing

- Participation in national campaigns

- Marketing fund contribution use

9. TRANSFER AND ASSIGNMENT

9.1. Franchisor's right of first refusal

9.2. Transfer fee: $[X]

9.3. Approval of new franchisee

9.4. Training requirements for new owner

10. TERMINATION

10.1. Grounds for Termination

- Breach of agreement

- Quality standard violations

- Payment defaults

- Bankruptcy

10.2. Post-Termination Obligations

- Cease use of trademarks

- Return proprietary materials

- Non-compete obligations

- De-identification requirements

11. NON-COMPETITION

11.1. During Term

- No competing business interests

- Geographical restrictions

11.2. Post-Termination

- [X] year restriction period

- Geographic scope of restriction

12. CONFIDENTIALITY

12.1. Protection of trade secrets

12.2. Non-disclosure requirements

12.3. Return of confidential information

13. INSURANCE

13.1. Required Coverage

- General liability: $[X]

- Property insurance: $[X]

- Workers' compensation

- Additional coverage as specified

14. DISPUTE RESOLUTION

14.1. Mediation requirement

14.2. Arbitration clause

14.3. Governing law: [State]

14.4. Venue for proceedings

15. AMENDMENTS AND MODIFICATIONS

15.1. Written modifications only

15.2. Franchisor's right to modify system standards

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

FRANCHISOR:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title:

Date:

FRANCHISEE:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title:

Date:

[NOTARY SECTION]