

FRANCHISE AGREEMENT

Location: _____ Parties: _____

Franchisor Information:

Legal Name: _____

Business Address: _____

Contact Person: _____

Franchisee Information:

Legal Name: _____

Business Address: _____

Contact Person: _____

Recitals:

WHEREAS, Franchisor owns the rights to the trademark, trade name, and business system relating to the operation of a [SPECIFY BUSINESS TYPE]; and WHEREAS, Franchisee desires to obtain a franchise to operate a business using Franchisor's system and marks under the terms set forth in this Agreement; NOW, THEREFORE, in consideration of the mutual covenants herein, the parties agree as follows.

Section 1 – Grant of Franchise

Franchisor hereby grants to Franchisee a non-exclusive, non-transferable license to operate a franchise using Franchisor's trademarks, service marks, trade names, and business systems within the territory defined in this Agreement, subject to the terms and conditions herein.

Section 2 – Term and Renewal

The initial term of this Agreement shall be for a period of [SPECIFY TERM] years commencing upon execution. Franchisee may renew the Agreement for additional terms subject to Franchisor's approval and compliance with renewal conditions.

Section 3 – Franchise Fee and Payments

Franchisee shall pay to Franchisor an initial franchise fee of [SPECIFY FEE] CAD, payable upon execution, and ongoing royalty fees equal to [SPECIFY %] of gross sales, payable monthly. All payments shall be made in Canadian dollars.

Section 4 – Training and Support

Franchisor agrees to provide initial training to Franchisee and continuing support as reasonably required to operate the franchise in accordance with Franchisor's standards.

Section 5 – Use of Trademarks and Confidential Information

Franchisee shall use Franchisor's trademarks and confidential information only as authorized and shall not disclose confidential information to third parties. Franchisee shall maintain all business operations in a manner consistent with the goodwill of Franchisor's marks.

Section 6 – Location and Operation

Franchisee shall operate the franchise only at the location(s) approved by Franchisor and in compliance with all applicable laws, regulations, and standards.

Section 7 – Advertising and Marketing

Franchisee shall participate in advertising and marketing programs as prescribed by Franchisor and shall not use any advertising material without prior approval.

Section 8 – Compliance with Laws

Franchisee agrees to comply with all federal, provincial, and municipal laws, bylaws, rules, and regulations applicable to the operation of the franchise.

Section 9 – Insurance

Franchisee shall maintain adequate insurance coverage as prescribed by Franchisor, including but not limited to general liability, property, and workers' compensation insurance.

Section 10 – Records and Audit

Franchisee shall maintain complete and accurate books and records of the franchise business and shall permit Franchisor or its agents to audit such records upon reasonable notice.

Section 11 – Intellectual Property Ownership

Franchisor retains all ownership rights in its trademarks, trade secrets, copyrights, and other intellectual property. Franchisee shall not challenge Franchisor's rights.

Section 12 – Confidentiality

Franchisee shall keep confidential all proprietary information received from Franchisor and shall not disclose or use such information except as permitted under this Agreement.

Section 13 – Indemnification

Franchisee shall indemnify and hold harmless Franchisor and its affiliates from any claims, damages, liabilities, and expenses arising out of Franchisee's operation of the franchise.

Section 14 – Termination

This Agreement may be terminated by Franchisor upon Franchisee's material breach or bankruptcy, or by Franchisee upon written notice as provided herein. Upon termination, Franchisee shall cease use of Franchisor's marks and return all confidential materials.

Section 15 – Effects of Termination

Upon termination, Franchisee shall not conduct any business using Franchisor's trademarks or confidential information and shall comply with post-termination obligations outlined herein.

Section 16 – Dispute Resolution

The parties agree to attempt to resolve any disputes arising under this Agreement by negotiation and mediation prior to initiating litigation.

Section 17 – Governing Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the Province of [SPECIFY PROVINCE], Canada. The parties consent to the exclusive jurisdiction of the courts located in [SPECIFY CITY], Canada.

Section 18 – Entire Agreement

This Agreement constitutes the entire understanding of the parties and supersedes all prior agreements and representations.

Section 19 – Amendments

Any amendments or modifications to this Agreement must be in writing and signed by both parties.

Section 20 – Notices

All notices under this Agreement shall be in writing and delivered by hand, certified mail, or recognized courier to the parties' addresses set forth above or as otherwise designated in writing.

Section 21 – Severability

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Section 22 – Waiver

Failure or delay by either party to enforce any provision shall not constitute a waiver of such provision or any other rights.

Section 23 – Assignment

Franchisee may not assign or transfer this Agreement or its rights without prior written consent of Franchisor.

Section 24 – Counterparts and Electronic Signatures

This Agreement may be executed in counterparts, including by electronic means, each of which shall be deemed an original and all of which shall constitute one agreement.

Section 25 – Definitions

Definitions of terms used in this Agreement are set forth in the attached Schedule A, incorporated herein by reference.

FRANCHISOR'S SIGNATURE

FRANCHISEE'S SIGNATURE

Signature: _____

Signature: _____

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