

AU-MADfrn01

Franchise agreement: service business

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Schedule 1 Intellectual Property
Schedule 2 Branded Supplies

Schedule 3 Press release

This agreement is dated: [date]

It is made between:

[ABC] Pty Limited, a company incorporated in Australia [under ACN [number] and whose registered [REDACTED] ("[REDACTED]")

AND

[DEF], whose address is [full address] ("[REDACTED]")

It is now agreed as follows:

1. Definitions

In this agreement, the following words shall have the following meanings, [REDACTED]
[REDACTED] :

"Branded Equipment"	Means [equipment, plant and machinery] specified [REDACTED].
"Branded Supplies"	means the consumable goods and semi-disposable goods listed in the Manual as Branded Supplies and provided [REDACTED], [REDACTED].
"Central Undertaking"	means the whole of the business carried on by the Company, part of which is intended [REDACTED], [REDACTED], [REDACTED].
"Close Relative"	means in relation to a deceased Franchisee.
"Confidential Information"	means all information about the Company. It includes among other things: information about businesses, methods of doing business, future plans, policies, suppliers and customers. It includes information about suppliers, agents, distributors and [REDACTED]. [REDACTED], [REDACTED], [REDACTED], [REDACTED].
"Franchise"	means the arrangement for operation of the Franchise Business, [REDACTED].
"Franchise Premises"	means the real property or premises occupied by

2. Interpretation

In this agreement unless the context otherwise requires:

3. Warranties for authority

4. Relationship of parties

5. Entire agreement

[Enter list of docs and dates ██████████]

6. Grant of Franchise

- 6.1. With effect from [start date] the Company grants a [exclusive/non-exclusive] Franchise to the Franchisee [within the Territory] for the [provision of the service of trade ██████████ / ██████████] ██████████ ██████████ ██████████ .
- 6.2. The Franchisee will operate the Franchise from the Franchise Premises ██████████ .
- 6.3. The Franchisee may use the [trade mark / trade name / copyright / Intellectual Property related to ██████████ ██████████ ██████████ 1].
- 6.4. The Termination Date is [date], when this agreement ██████████ ██████████ .
- 6.5. [The Company may terminate this agreement at any time within the first 12 months on ██████████ ██████████ ██████████].

7. Early obligations of the Company

After the signing of this agreement, the Company ██████████ ██████████ :
██████████ :

- 7.1. [the set-up guide relating to selection of Franchise Premises, ██████████ , ██████████ , ██████████];
- 7.2. the Manual;
- 7.3. names of approved suppliers and draft contract forms;
- 7.4. the stock of Branded Supplies listed ██████████ 2 ;
- 7.5. draft budget, management accounts and book keeping system based on [the Software] which the Franchisee ██████████ ██████████ ██████████ ██████████ ;
- 7.6. a [three] year marketing plan, to ██████████ [██████████] ██████████ ;
- 7.7. advertising and marketing guide;

- 7.8. draft contract of employment of staff.

8. Initial Training

- 8.1. Within [28] days of signing this agreement, the Company will provide a minimum of [20] hours training in the [REDACTED]
[REDACTED / [REDACTED] / [REDACTED]] [REDACTED].
- 8.2. The training will be provided free of charge at a location [REDACTED]
[REDACTED].
- 8.3. The Franchisee must pay for his travel and accommodation [REDACTED]
[REDACTED].
- 8.4. The Franchisee must complete the training to the level required by the Company. It is in the discretion of the Company as to whether the Franchisee has completed the training to a satisfactory level. [REDACTED]
[REDACTED] ([REDACTED]) [REDACTED]
[REDACTED].
- 8.5. The Company will provide training for employees or prospective employees of the Franchisee at [its head office / a location chosen by the Company]. Training will be provided by the day and charged [REDACTED]
[REDACTED] \$ [500] [REDACTED].

9. Ongoing Company provision

During the operation of the Franchise, the [REDACTED]
[REDACTED] :

- 9.1. provide the Branded Supplies;
- 9.2. provide and maintain the Manual;
- 9.3. provide training for the employees of the Franchisee at cost to the Franchisee [at the Franchise Premises / at premises [REDACTED]
[REDACTED]];
[REDACTED];
- 9.4. recommend sources of non-branded materials, goods and services from [REDACTED];
- 9.5. provide advice, to the extent it judges to be reasonably required, by telephone / [REDACTED];

10. Franchise fees and other payments

11. Payment terms

- ### **11.1. All sums due under this agreement:**

- 11.1.1 shall be made by the due date, failing which the Company may charge [REDACTED]
[REDACTED]
[REDACTED]%;
[REDACTED];
 - 11.1.2 Interest shall be calculated and compounded monthly.
 - 11.1.3 shall be paid in dollars by [REDACTED]
[REDACTED]
[REDACTED].
- 11.2. Payment for Goods shall be made [REDACTED]
[REDACTED]
[REDACTED].
 - 11.3. All Goods sold to the Franchisee [REDACTED]
[REDACTED]
[REDACTED].
 - 11.4. All payments to be made by [name] under this agreement shall be made in [REDACTED] [(
[REDACTED])]
[REDACTED]
[REDACTED].
 - 11.5. Payments shall be made without deductions. If the applicable law requires any tax or charge to [REDACTED], [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].
 - 11.6. Any sum due under this agreement not expressed in Australian dollars shall be converted into Australian dollars at [REDACTED]
[REDACTED]
[REDACTED] [
[REDACTED] [
[REDACTED]].

12. Right to Renewal

- 12.1. The Franchisee may renew the Franchise [REDACTED]
[REDACTED] [5] [REDACTED], [REDACTED]:

13. Data Protection laws compliance

14. Franchisee's undertakings

The Franchisee now undertakes to:

- 14.1. participate personally in the operation of the Franchise Business for at least [30] hours [48] [];

14.2. make certain that the Franchise [];

- 14.18. at the request of the Company, [REDACTED] / [REDACTED]
[REDACTED];
- 14.19. not incorporate or change the [REDACTED];
- 14.20. not use any business name of [REDACTED]
[REDACTED], [REDACTED];
- 14.21. conduct the Franchise [REDACTED]
[REDACTED];
- 14.22. not sell, transfer, sublicense, or assign this [REDACTED]
[REDACTED], [REDACTED]
[REDACTED];
- 14.23. provide for assessment by the [REDACTED]
[REDACTED];
- 14.24. Each shareholder in a corporate Franchisee, who signs [REDACTED]
, [REDACTED], [REDACTED], [REDACTED],
[REDACTED]
[REDACTED].

15. Exclusive purchase arrangements

The Franchisee will not buy from any supplier except the Company, [REDACTED]
[REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED]
[REDACTED].

16. Transfer on death of Franchisee

- 16.1. In the event of the death of the Franchisee, the Franchise [REDACTED]
[REDACTED], [REDACTED] [30] [REDACTED]
[REDACTED], [REDACTED]
[REDACTED].
- 16.2. A Close Relative of the deceased Franchisee may take over the
Franchise provided he is qualified [REDACTED]
[REDACTED]
[REDACTED].

17. Company's right of pre-emption

- 17.3.4 a draft ■■■■■

17.4. The Company may make ■■■■■ .
■■■■■ .

17.5. All of the information given to the Company ("■■■■■")
■■■■■ .
■■■■■ .

17.6. The Company must, within [28] days of the date it was notified of the possibility of a transfer by the Franchisee, ■■■■■
■■■■■ ,
■■■■■ . ■■■■■ [28] ■■■■■ ,
■■■■■ .
■■■■■ .

17.7. If the Company elects not to buy ■■■■■ , ■■■■■
■■■■■ .
■■■■■ :

17.7.1 the Transferee is ■■■■■
■■■■■ ; ■■■■■

17.7.2 the Transferee is ■■■■■
■■■■■ ; ■■■■■

17.7.3 the Transferee is disqualified by his or its failure ■■■■■
■■■■■
■■■■■ .

If the Company so ■■■■■ , ■■■■■ .
■■■■■ .

17.8. If the Company elects to buy the Franchise Business, completion shall
■■■■■ ■■■■■ [10] ■■■■■ .
■■■■■ .
■■■■■ .

17.9. If the Company elects ■■■■■ .
■■■■■ .

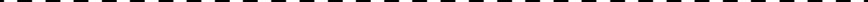
17.9.1 the Franchisee is free to ■■■■■ .
■■■■■ .

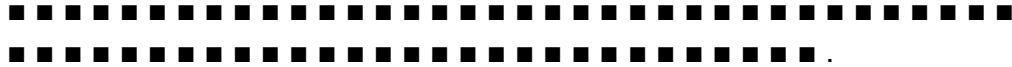
17.9.6 if the sale to the Transferee does not proceed, the Franchisee may not [12].

17.10.1 the Franchise Business is a going concern;

17.10.4 the buyer must himself

17.11. There shall be deducted from the purchase price payable by the ■ ■ ■





18. Terms for transfer to a third party

19. Franchise operated by a partnership

19.1.4 payment to the ██████████
\$[50 , 000].

19.2. In the event of any of:

19.2.1 the death of one of the partners;

19.2.3 the bankruptcy or proven insolvency of a partner;

19.4. If the surviving partner(s) wishes to introduce a new partner, ■ ■ ■ ■ ■



- 19.5. If such an application is made, the Company will not refuse it unreasonably, nor make [REDACTED] . [REDACTED]
[REDACTED], [REDACTED]
[REDACTED]
[REDACTED].

19.6. Each of the partners now undertakes to report to [REDACTED]
[REDACTED], [REDACTED].

20. Franchise operated by a company

21. Insurance

22. Risk and retention of title

23. Intellectual Property

The Franchisee agrees with the Company:

24. New Intellectual Property

The image shows a rectangular arrangement of 24 black squares. The squares are organized into four horizontal rows, with each row containing six squares. This creates a pattern of alternating black and white squares across the entire area.

25. Intellectual Property / Software

Digitized by srujanika@gmail.com

26. Termination by the Company on notice

“ ” .
[30]
:
26.1. .
.
26.2. , , - .
.
26.3. .

26.7. [30] , , , , , .

A decorative horizontal bar consisting of a series of black squares arranged in a grid pattern.

27. Automatic or immediate termination

27.3. declared or becomes insolvent;

27.6. [REDACTED]
[REDACTED]; [REDACTED].

28. Consequences of termination

Upon termination of this agreement for any reason:

28.1. [REDACTED]
;

28.2. [REDACTED]
, [REDACTED];

28.3. [REDACTED]
[REDACTED]:

28.3.1 have access to the Franchise Premises;

28.3.2 [REDACTED]
[REDACTED];

28.3.3 [REDACTED]
[REDACTED];

28.3.4 [REDACTED], [REDACTED]
[REDACTED];

28.3.5 take a transfer of any other leased asset.

28.4. [REDACTED]
[REDACTED], [REDACTED]
[REDACTED].

28.5. [REDACTED], [REDACTED]
[REDACTED], [REDACTED], [REDACTED],
[REDACTED]
[REDACTED];

28.6. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].

28.7. [REDACTED], [REDACTED]
[REDACTED].

28.8. the Franchisee undertakes with the Company:

- 28.8.1 [REDACTED]
[REDACTED]
[REDACTED] ([REDACTED]
[REDACTED]) [REDACTED] [REDACTED]
[REDACTED];
- 28.8.2 [REDACTED]
[REDACTED] [REDACTED] [REDACTED]
[REDACTED] [REDACTED] [REDACTED];
[REDACTED]
- 28.8.3 [REDACTED]
[REDACTED] [REDACTED]
[REDACTED].

29. Confidentiality

29.1. The Franchisee agrees and undertakes that he will:

- 29.1.1 [REDACTED]
[REDACTED];
 - 29.1.2 [REDACTED] [REDACTED] [REDACTED]
[REDACTED] ([REDACTED]
[REDACTED] [REDACTED] [REDACTED]
[REDACTED]);
 - 29.1.3 [REDACTED] ([REDACTED]
[REDACTED] [REDACTED]) [REDACTED]
[REDACTED].
- 29.2. [REDACTED]
[REDACTED]:
- 29.2.1 [REDACTED], [REDACTED], [REDACTED]
[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED] . . .]
 - 29.2.2 [REDACTED]
[REDACTED]
[REDACTED] / [REDACTED].

29.3. This paragraph does not apply to disclosure:

- 29.3.1 [REDACTED]
- 29.3.2 [REDACTED]
- 29.3.3 [REDACTED]
- 29.3.4 [REDACTED]
- 29.4. [REDACTED]
[REDACTED] [REDACTED]
[REDACTED], [REDACTED]
[REDACTED].

30. Cooling off period

- 30.1. [REDACTED]
[REDACTED]:
 - 30.1.1 entering into the agreement; or
 - 30.1.2 ([REDACTED]
[REDACTED]) [REDACTED].
- 30.2. [REDACTED]
, [REDACTED], [REDACTED] 14 [REDACTED], [REDACTED] ([REDACTED]
[REDACTED]) [REDACTED]
[REDACTED]:
- 30.3. [REDACTED]
, [REDACTED], [REDACTED]
[REDACTED].

31. Confidentiality of Know-how

The Franchisee agrees:

- 31.1. [REDACTED] - [REDACTED]
[REDACTED] ([REDACTED]) [REDACTED]
[REDACTED];
- 31.2. [REDACTED] - [REDACTED]
[REDACTED]
[REDACTED].
- 31.3. [REDACTED]
- [REDACTED];
- 31.4. [REDACTED]
[REDACTED] - [REDACTED]
[REDACTED];
- 31.5. [REDACTED]
[REDACTED] - [REDACTED]
[REDACTED];
- 31.6. [REDACTED]
[REDACTED];
- 31.7. [REDACTED] - [REDACTED]
[REDACTED]
[REDACTED];
- 31.8. [REDACTED]
[REDACTED]
[REDACTED] - [REDACTED]
[REDACTED]
[REDACTED];
- 31.9. [REDACTED], [REDACTED], [REDACTED]
[REDACTED]
[REDACTED];
- 31.10. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] [REDACTED]
[REDACTED] [REDACTED]
[REDACTED] [REDACTED];

32. Time is of the essence

33. Limitation of liability

33.2.1 indirect or consequential loss; or

34. Limitation of liability for defects

..... ,

35. Publicity / Announcements

35.1. Neither party shall:

35.1.1 make any public announcement; or

35.1.2 disclose any information; or

.....

36. Irrevocable power of attorney

36.3. [14]

37. Indemnity

37.1.3 []

- [REDACTED], [REDACTED].
- 37.3. [REDACTED]
[REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED],
[REDACTED]:
37.3.1 [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED],
[REDACTED];
37.3.2 [REDACTED]
[REDACTED];
[REDACTED]
[REDACTED]
[REDACTED].
- 37.4. [REDACTED]
[REDACTED] [REDACTED] [REDACTED], [REDACTED]
[REDACTED], [REDACTED], [REDACTED], [REDACTED]
[REDACTED], [REDACTED], [REDACTED], [REDACTED]
[REDACTED], [REDACTED], [REDACTED]
■ ■ \$ [500 , 000 [REDACTED]]).

38. Damages not adequate

[REDACTED]
[REDACTED], [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED], [REDACTED] [REDACTED]
[REDACTED], [REDACTED], [REDACTED]
[REDACTED], [REDACTED]
[REDACTED] [REDACTED] / [REDACTED]
■ ■] [REDACTED].

39. Uncontrollable events

[REDACTED]
[REDACTED]
[REDACTED], [REDACTED]
[REDACTED].

40. Dispute resolution

41. Miscellaneous matters

It shall be deemed to have been delivered:

72 ;
- : 24

41.12. [REDACTED], [REDACTED]
[REDACTED] [REDACTED]
[REDACTED]. [REDACTED]
[REDACTED] [REDACTED]
] [REDACTED].

[REDACTED] / [REDACTED]
[REDACTED]
[REDACTED]

OR

[REDACTED] / [REDACTED]
[REDACTED]
[REDACTED] / [REDACTED]
[REDACTED] [REDACTED]

For, and on behalf of []

print name

For, and on behalf of []

print name

Schedule 1: Intellectual Property

Schedule 2: Branded Supplies

Schedule 3: Press release

Explanatory notes:

Franchise agreement: service business

General notes:

We advise that you do not add greatly to the detail of the franchise arrangements. It is certain that you will need to change them from time to time. Keep this document to the [REDACTED]

<https://www.legislation.gov.au/Details/F2021C00553>

<https://www.accc.gov.au/publications/franchisor-compliance-manual>

<https://www.accc.gov.au/publications/the-franchisee-manual>

https://www.accc.gov.au/system/files/Information%20statement%20for%20prospective%20franchisees_0.pdf

<https://forms.business.gov.au/smartforms/servlet/SmartForm.html?formCode=franchisor-key-fact>

You can access further detailed information at:

<https://www.business.gov.au/planning/business-structures-and-types/franchise/entering-into-a-franchise-agreement>

Paragraph specific notes

Notes relating to a particular paragraph

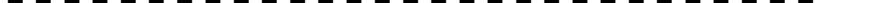
1. Definitions

We have had difficulty in deciding on the most appropriate references to the main business on the one hand and the franchisee's business on the other hand. Use of the word "business" may be confusing. We have chosen "Central Undertaking" simply to make the [REDACTED]
[REDACTED], [REDACTED]
[REDACTED].

2. Interpretation

3. Warranties for authority

The franchisor will already have made enquiries, but it is useful to have the franchisee personally confirm these important points, so that he is liable ■ ■ ■



4. Relationship of parties

5. Entire agreement

6. Grant of franchise

The start date may be in the future. The possibility to terminate depends on the franchise you are offering. Clearly, you cannot terminate on a whim when your franchisee has spent large sums in setting up and may have taken a lease of [REDACTED] . [REDACTED]

7. Early obligations of the company

8. Initial training

9. Ongoing Company provision

10. Franchise fees and other payments

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12. Right to renewal

13. Data Protection law compliance

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15. Exclusive purchase arrangements

16. Transfer on death of franchisee

17. Company's right of pre-emption

This is a difficult area. This is one where there may be legal provisions preventing you from taking back a flourishing business at an under value. It is important that you think through how you want your franchise to operate and set down each step carefully. On the one hand you need to avoid making the provisions obviously draconian, which would be bad for your brand and your expansion plans.



18. Terms for transfer to a third party

19. Franchise operated by a partnership

20. Franchise operated by a company

21. Insurance

22. Risk and retention of title

23. Intellectual property

As you can see from the definition, IP is a big subject. Some IP is easy to identify and even to value. Much is not considered at all - until someone else



24. New intellectual property

Franchisees can be in a position to “create” new IP, for example by thinking up a new recipe or a better employee routine or a fix to some software issue or simply a better mousetrap. The point is that there are few businesses that

25. Intellectual property / software

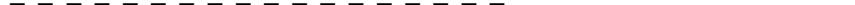
26. Termination by the company on notice

27. Automatic or immediate termination

28. Consequences of termination

<https://www.accc.gov.au/publications/franchisor-compliance-manual/the-franchisor-compliance-manual/end-of-a-franchise-agreement/end-of-the-term>

29. Confidentiality

Remember to tie  .

30. Cooling off period

31. Confidentiality of Know-how

32. Time is of the essence

This is a legal term which prevents a **defendant** from **cross-examining** a **witness** about their **statement** to the **police**.

33. Limitation of liability

34. Limitation of liability for defects

35. Publicity / announcements

36. Irrevocable power of attorney

37. Indemnity

This is a two-**■**

38. Damages not adequate

39. Uncontrollable events

Often referred to as “force ”.

.

40. Dispute resolution

The law requires that you should have

You may find more details at:

<https://www.accc.gov.au/business/franchising/resolving-franchising-disputes>

41. Miscellaneous matters

End of notes