

# FRANCHISING AGREEMENT

GrandCapital Ltd.



GrandCapital Ltd., hereinafter referred to as the "Franchiser", of the one part and \_\_\_\_\_\_, hereinafter referred to as the "Franchisee" of the other part, have concluded the present Contract on the following basis:

#### 1. Scope of the contract

- 1.1. According to the present Contract the Franchiser, for a fee and for the period provided by the Contract, grants the right to the Franchisee to use the complex of exclusive rights belonging to the Franchiser in the Franchisee business activities. This includes, namely, the right of use of the following: the "Grand Capital" brand and business name; "Grand Capital" service mark; secured commercial information and business experience; business organization model; marketing and promotional materials; GCTrader4 trading platform (and its future versions); guidance papers and education programs; analytical data produced; client engagement techniques.
- 1.2. The Franchisee is granted the right of use of the mentioned exclusive rights belonging to the Franchiser in the context of provision of service to clients, regardless of their place of residence, using the representational office, located in the city/town of \_\_\_\_\_\_\_\_, Republic \_\_\_\_\_\_\_.
- 1.3. Duration of the contact: 1 (one) year.
- 1.4. User fee for the complex of exclusive rights amounts to

## 2. Obligations of the parties

- 2.1. Once the contractual payment under the present Contract is made, the Franchiser is obliged to:
- a) To transfer technical and commercial documentation to the Franchisee, provide the Franchisee with all information necessary for him to exercise the rights granted to him under the present Contract, and instruct the Franchisee and his personnel on all matters involved with implementation of these rights;
- b) To develop and provide the Franchisee with print-ready design layouts of promotional print products and materials for exterior and interior decoration of commercial premises of the Franchisee;
- c) To provide regular technical and advisory assistance to the Franchisee and to assist him with personnel training and professional development (for an extra fee), including experts on-site visits to the Franchisee representational office.
- d) To monitor the quality of advisory services, provided by the Franchisee under the present Contract;
- e) To withhold the grant of exclusive rights, similar to the ones provided by the present Contract, to the third parties, so they could exercise these rights within the territory assigned to the Franchisee in compliance with the article 1.2. of the present Contract, and also to refrain from similar activities within the mentioned territory.
- 2.2. The Franchisee is obliged to:
- a) To make sure the quality of advisory services he provides is as high as the quality of advisory services provided by the Franchiser directly;
- b) To observe the Franchiser's procedures and guidelines designed to make sure the complex of exclusive rights is exercised by the Franchisee in the same way, using the same methods and in the the same context as it is used by the Franchiser, including guidelines concerning equipment, location, exterior and interior decoration of commercial premises utilized by the Franchisee in the course of implementation of rights granted to him under the Contract;
- c) To provide clients with extra services they would expect to be available, if they approached the Franchiser directly;
- d) Not to disclose the Franchiser's internal work-flow management information, as well as other proprietary information;
- e) To Inform clients in a way that is the most apparent for them that he utilizes the company name,



brand name, trade mark, service mark and other brand identity elements under the present Contract;

f) Not to enter into competition with the Franchiser beyond the territory subject to the present Contract.

#### 3. The Franchiser's responsibility in regard to claims submitted to the Franchisee

- 3.1. The Franchiser is vicariously liable for claims submitted against the Franchisee concerning substandard quality of advisory services the Franchisee provides under the present Contract.
- 3.2. The Franchiser and the Franchisee are jointly liable for claims submitted against the Franchisee concerning advisory services provided by the Franchiser.

#### 4. Rights of the parties

- 4.1. If the Franchisee discharges his functions properly, he has the right for prolongation of the present Contract once it expires.
- 4.2. The Franchiser has the right to terminate or to withhold prolongation of the Franchising Contract on a unilateral basis, provided that the Franchisee fails to observe any article of the present Contract.
- 4.3. In case prior to the Contract expiration the Franchiser is minded to grant the same Franchisee rights to any third party, he is obliged to offer the Franchisee to conclude a new Contract or to reimburse the exclusive rights usage fee for the remaining term. In case a new Contract is concluded, its terms should be no less favorable for the Franchisee than the terms of the present Contract.

### 5. **Validity**

- 5.1. The present Contract comes into effect once it is signed by both Parties and remains valid within the term indicated in the article 1.3. of the present Contract.
- 5.2. Transfer of any exclusive right indicated in the article 1.1. of the present Contract to any third party does not constitute grounds for amendment or termination of the Contract. A new Franchiser becomes a contracting party within the frame of the present Contract in part of rights and obligations regarding a transferred exclusive right.
- 5.3. In case within the duration of the present Contract any exclusive right granted under the present Contract expires or such a right is terminated due to other reasons, the present Contract remains valid except for provisions applying to the right terminated.
- 5.4. The present Contract is terminated in case of:
- a) Expiration of the period indicated in the article 1.3 of the present Contract.
- b) In case the Franchiser or the Franchisee declares himself bankrupt.
- c) Suspension of the Franchiser's company name and brand name rights, without substitution for new similar rights.
- 5.5. In case the Franchisee does not require termination of the present Contract, it remains valid with regard to the Franchiser's new company name or brand name.

# 6. Concluding provisions

Franchiser: Grand Capital Ltd.

- 6.1. Any contractual disputes between the Parties will be settled in accordance with the applicable legislation of Union of the Comoros.
- 6.2. The present Contract is formally established in two copies of the same legal force, a copy for each Party.

#### 7. Addresses and details of the Parties

Address: F2-2A, 2nd Floor,	Oceanic House, Providence Estate, Mahé, Republic of Seychelles	
Franchisee:		