

FRANCHISE AGREEMENT

The FRANCHISE AGREEMENT (“**this Agreement**”) is made and executed at _____ on the ___ day of _____, 2020.

BY AND BETWEEN

_____ (hereinafter referred to as "**Franchisor**" which shall include, where the context so permits, its successors in interest, legal assigns and liquidators) OF THE FIRST PART

AND

_____ (hereinafter referred to as "**Franchisee**" which shall include, where the context so permits, its successors in interest, legal assigns and liquidators) OF THE SECOND PART

WHEREAS

- A. The Franchisor has the right to assign and franchise the title “**ST. LOURDES**” by virtue of the trade mark in the trade mark registry (**Trade Mark No. 3517655**) that legally allows the Franchisor to franchise the title through M.DONBOSCO Managing Trustee/Settlor of DONBOSCO EDUCATIONAL TRUST registered in Delhi vide 17013 book no. 4 vol.no. 4412 in pages 97 to 112 on 11/07/1997.
- B. The Franchisee is desirous of running a school by using the name “**ST. LOURDES**” at plot nos. _____ in _____ (hereinafter referred to as the “**School Premises**”).
- C. The Franchisee has gone through the title documents given by the Franchisor and is satisfied with all the legal aspects of the title and is satisfied that the franchising rights of title **ST. LOURDES (Trade Mark No. 3517655)** vest with the Franchisor who is the Managing trustee /Settlor of DONBOSCO EDUCATIONAL TRUST.

D. The Franchisor agrees to allow the Franchisee to use the title **“ST. LOURDES”** for running the school on the aforesaid school premises as per terms and guidelines stipulated under this Agreement and further terms and guidelines as may be issued by the Franchisor from time to time there under.

NOW THEREFORE IT IS HEREBY AGREED by and between the parties as follows:

1. **DEFINITIONS:**

- (a) **“Agreement”** shall mean this agreement together with Appendices hereto and shall include any modifications and alterations hereto made in writing. It shall also include terms and guidelines as may be issued by the Company in furtherance of this Agreement from time to time.
- (b) **“Effective Date”** shall mean the date on which both parties have duly signed and executed this agreement.
- (c) **“Licenses”** shall mean all clearances, licenses, registrations and/or permits required by law to run a school.
- (d) **“Parties”** shall mean the Franchisor and the Franchisee and ‘Party’ shall mean either the Franchisor or the Franchisee, as the case may be.
- (e) **“SchoolPremises”** shall mean the premises of the Franchisee as described in Annexure A.

2. **SCOPE OF LICENSE:**

Subject to the terms and conditions set forth in this Agreement, Franchisor grants to Franchisee a non-exclusive, non-transferable, Franchise / license to administer and manage its school under the name and style of Franchisor’s Intellectual Property Rights **“ST. LOURDES”** over the name of School. Franchisee shall make no other use of the Trademark or the Intellectual Property, except as specifically agreed to by Franchisor. Franchisee shall not provide copies of any forms or other documents or forward

information concerning the school or Intellectual Property to anyone not a party to this agreement without the express written permission of Franchisor.

3. NON-ASSIGNMENT:

Franchisee acknowledges and agrees that the rights granted to Franchisee by and obtained by Franchisee as a result of or in connection with this Agreement are license rights only, and nothing contained in this Agreement constitutes or shall be construed to be an assignment of any or all of Franchisor's rights in the Trademark or the right to revise or restructure the Intellectual Property or operation and organization of school without Franchisor's specific approval.

The Franchisee shall have no authority to, and shall not, enter into any agreement on behalf of the Franchisor. The Franchisee shall not be entitled to accept any process of law in the name of or on behalf of the Franchisor, or represent the Franchisor without the written permission in that behalf in any matter legal or otherwise. The Franchisee shall however remain responsible to inform the Franchisor in proper time for ascertaining and keeping the Franchisor informed from time to time regarding any local action, rules or laws in force in connection with the trade in the locality or transport, or any taxes, or duty, and also for performing or observing them correctly and properly according to the intents and purposes of the rules and law so far as they related to the business under this Agreement.

4. **NON REFUNDABLE FEE (“FRANCHISE FEE”)**

4.1 The Franchisee at the time of execution of this agreement shall pay Franchise Fee of Rs ___1 CRORE___/- (Rupees __ONE CRORE_____ only) by way of account payee bank draft or bank transfer in favour of ___DONBOSCO EDUCATIONAL TRUST___SBI ac.no.31684427308 IFSCCode SBIN0001630 SBI ADB PIPARIYA_____ (Franchisor).

4.2 The Franchise Fee is non refundable and the franchisee agrees that he shall not be entitled to claim the same.

5. **CONSIDERATION**

5.1 The Franchisee in lieu of the rights granted by the Franchisor shall pay Rs. _____750000/_____ /- (Rupees _____SEVEN LAKHS FIFTY THOUSAND_____ Only) as Retainer Royalty fees (plus Tax as applicable)to the Franchisor on 1st week of April every year.

5.2 If the Franchisee omits or fails to perform his part of the obligation in terms of Clause 5.1, the Franchisor shall have the right to act in accordance with Clause 4.1.

6. **USE OF THE TRADEMARK**

6.1 **Trademark Format:**

Franchisor retains the right to specify, from time to time, the format in which Franchisee shall manage and administer the school and use & display the Trademark, and Franchisee shall only use or display the Trademark in a format approved by Franchisor.

6.2 **Impairment of Franchisor's Rights:**

Franchisee shall not at any time, whether during or after the term of this Agreement, do or cause to be done any act or thing challenging, contesting, impairing,

invalidating, or tending to impair or invalidate any of Franchisor's rights, or any registrations derived from such rights, in the management of school or Trademark or any symbols, logos or other marks provided by Franchisor for use by Franchisee, or in respect of Franchisor's Rights.

6.3 Franchisor's Rights and Remedies:

Franchisee acknowledges and agrees that Franchisor has, shall retain, and may exercise, both during the term of this Agreement and thereafter, all rights and remedies available to Franchisor, whether derived from this Agreement, from statute, or otherwise, as a result of or in connection with Franchisee's breach of this Agreement, misuse of the Trademark, or any other use of the name of school, Trademark or the Intellectual Property by Franchisee which is not expressly permitted by this Agreement. Franchisee understands and expressly agrees that augmentations or improvements, if any, by Franchisee, are subject to Franchisor's consent and approval, and shall not ever inure to the benefit of Franchisee nor give Franchisee any ownership rights in Franchisor's management rights and/or Intellectual Property, and hereby are confirmed as being the sole property of Franchisor and Franchisee retains no ownership or proprietary rights therein.

6.4 Assignment:

Franchisee shall not assign, sublicense, transfer, or otherwise convey Franchisee's rights or obligations under this Agreement without Franchisor's prior written consent. Franchisee shall indemnify and hold harmless Franchisor against all liability, costs, and expenses, including but not limited to reasonable attorneys' fees, arising out of or in connection with claims relating to an attempted assignment, sublicense, transfer, or other conveyance of Franchisee's rights and obligations.

7. SPONSORSHIPS AND FUNDRAISING

Franchisee may fundraise and solicit sponsors, on a local basis only, for the purpose of purchasing incentives and for funding other financial needs of the School. All proposed fundraising materials, requests for grants and specific solicitations shall be presented to Franchisor for prior approval to avoid any conflict with national sponsorships maintained or being solicited by Franchisor. All incentives provided by Franchisee will be purchased at the expense of Franchisee.

8. REPRESENTATION AND WARRANTIES

The Franchisee represents and warrants that:

- 8.1 The Franchisee shall run the school with reasonable skill and care and in a professional and qualified manner in compliance with all applicable laws and regulations to the satisfaction of Franchisor and further represents that it has the required skills and experience to perform the same;
- 8.2 The Franchisee has ensured that the School Premises is free from all litigation, charge or lien of any third party and the Franchisee has right to enter into present agreement. In case, it comes to the knowledge of the Franchisor that any third party interest also exist in respect of the School Premises, in that eventuality, the Franchisor shall have right to terminate the present agreement forthwith even without giving the notice as required under the present agreement.
- 8.3 The Franchisee represents and warrants that it shall run the school on the agreed school premises only and shall not open any branches elsewhere.

9. INSURANCE AND INDEMNIFICATION

9.1 Insurance:

Franchisee shall maintain both general liability and comprehensive insurance covering all aspects of the Management of School and naming Franchisor as an Additional Insured. A certificate with proof of insurance shall be provided to Franchisor at the signing of the agreement and maintained on an annual basis.

9.2 Indemnification:

Franchisee does hereby indemnify and hold harmless Franchisor, its Members, officers, employees, agents, officials and related entities (the “Indemnified Parties”) from and against any and all losses, liabilities, damages, costs, and expenses, including but not limited to reasonable attorneys' fees and expenses as incurred, which the Indemnified Parties or any of them may incur or be obligated to pay in any action, claim or proceeding against them or any of them, for or by reason of acts, whether of omission or commission, arising out of or in connection with Franchisee’s operation of the School, use of the Intellectual property or of the Trademark, or in any way arising out of Franchisee’s performance under this Agreement. The provisions of this paragraph and Franchisee’s obligations hereunder shall survive any termination of this Agreement.

10. OBLIGATIONS OF FRANCHISOR:

10.1 The Franchisor shall fix the syllabus for entire academic session at par with the CBSE syllabus and shall be responsible to communicate promptly to the Franchisee in case of any change or otherwise.

10.2 The Franchisor shall assist the Franchisee in apposite running and management of the school and shall convey necessary instructions to the Franchisee in that regards.

11. OBLIGATIONS OF FRANCHISEE:

11.1 The Franchisee will meet and bear the entire cost of furnishing and decorating the interior and exterior of the School Premises in accordance with the specifications and requirements of the Franchisor, particularly touching upon the following aspects of elevation, decor and interior design, selection of furniture, fittings, counters and stands, lighting system, illumination, window display, air conditioning, fire fighting equipment, furnishings, flooring, etc.

11.2 The Franchisee shall not use the said school for any other purpose except as provided under this Agreement and as required by the Franchisor and shall not indulge himself directly or indirectly in any illegal, unlawful or immoral activities at the School premises.

11.3 The Franchisee shall adhere to the syllabus fixed by the Franchisor for entire academic session at par with the CBSE syllabus.

11.4 The Franchisee shall adhere to all applicable rules and regulations prescribed for management and running of school.

11.5 The Franchisee shall attend the students/parents in a polite and decent manner.

11.6 The Franchisee shall keep the School premises in good state of maintenance and working order, with fittings and fixtures kept in good working order.

11.7 The Franchisee shall make his utmost efforts to promote and maintain the goodwill of the school.

- 11.8** The bills of electricity, water telephone and other municipal charges including PFA/Health License, Property Tax etc will be paid by the Franchisee only. The Franchisor shall not be liable for any such expenses. The Franchisor shall not be responsible for any variation, excess consumption or any incidental expenses, which may occurred because of use of the Premises.
- 11.9** The Franchisee shall arrange for all the service connections like electricity, water, telephone, sewer etc. and charges in respect thereof. The Franchisor shall not be responsible for any dispute arising out of such consumption of misuse or any third party claim in any manner whatsoever.

12. INSPECTION OF SCHOOL PREMISES:

- 12.1** The Franchisor shall have right to inspect the premises, check the books & Registers and speak to the Students and get a feedback at any point of time, the visit may not necessarily be intimated to the Franchisee.
- 12.2** In the event of any discrepancy, so found in the quality or quantity, the Franchisor shall have right to terminate the present agreement forthwith, notwithstanding anything contained in the present agreement in respect of notice of termination.
- 12.3** The Franchisee under any circumstance shall not refuse the Franchisor staff to check the premises and carry out an inspection.
- 12.4** The Franchisee shall strictly follow all instructions issued by the Franchisor from time to time either directly or through their representatives during their inspection visit or otherwise.
- 12.5** The present agreement is non exclusive agreement and the Franchisor shall have right to appoint other Franchisee, in case of breach of any condition of this agreement or otherwise, without giving any reason.

12.6 The Franchisee shall also be responsible to indemnify the loss so caused to the Franchisor with regard to the loss of goodwill, reputation or for any reason whatsoever and shall have right to recover the same from the Franchisee.

13. EMPLOYEES OF FRANCHISEE:

13.1 That the Franchisee shall be solely and wholly responsible for the employment of its all employees/workmen and staff members for discharging all or any obligation to or in connection with such employees for all kinds of payments including wages, salaries, statutory benefits, all amenities & benefits that may be required under the law for the time being and from time to time in force and applicable to its establishment and/or for the workers employed for the execution obligations under this agreement.

13.2 It is expressly agreed between the parties that any statutory liability arising out of employment, non-employment, accidents inside/outside the School or employment injury/diseases and non-payment of statutory benefits to its workers/employees/students will be borne by Franchisee alone. The Franchisor shall not be claimed or held liable for any such liability.

13.3 That the Franchisee shall ensure the compliance of all applicable laws/rules/regulations/notifications/circulars/ordinances/guidelines issued by the different departments of State/Central Government from time to time required for the execution of this agreement.

14. ARBITRATION:

14.1 In case of any dispute arising out of this agreement or of the interpretation of the terms of agreement or difference of opinion (Hereinafter referred as the “**said**

dispute”) between the parties at any point of time such disputes shall be settled amicably by mutual negotiations within thirty days from the date of dispute.

14.2 In case the parties fail to settle the dispute amicably within thirty days, either party may refer the said dispute to the Sole Arbitrator Sh. _____ appointed by the Franchisor (_____) whose arbitral award shall be final and binding on the parties. The venue of arbitration shall be _____ only. The language of Arbitration shall be English. The cost of arbitration shall be borne by both the parties equally.

14.3 The arbitrator shall free to adopt own way of proceedings to settle the dispute in a short span of time. The Arbitration proceedings shall be in terms of the provisions laid down under the Arbitration and Conciliation Act, 1996.

15. FORCE MAJEURE

If at any time during the term of this agreement the said school premises are destroyed/damaged on account of natural calamities such as earthquake or other Acts of God etc., which are beyond the control and default of the Franchisee or Franchisor and which rendered the said school premises unfit for use and human habitation for continuous period of 30 days, the franchise granted under this Deed shall stand terminated without any giving any notice in writing and further in this case neither party shall be liable for any costs or damages which are otherwise not specifically agreed to by the parties to this agreement.

16. MISCELLANEOUS

16.1 Authority:

Franchisee represents and warrants that it has the necessary authority to enter into this Agreement and to do and perform each and every obligation it undertakes pursuant to this Agreement.

16.2 Applicable Law:

This Agreement shall be interpreted, construed, and enforced pursuant to, and in accordance with, the laws of India. In the event of any claim, dispute or other disagreement arising out of or related to this Agreement, the parties agree that venue shall be in _____, India, unless both parties mutually agree to a different venue in writing.

16.3 Entire Agreement:

This Agreement supersedes all previous agreements, understandings, and arrangements between the parties, whether oral or written, and constitutes the entire agreement between the parties.

16.4 Amendments:

This Agreement may not be modified, amended, altered, or supplemented except by an agreement in writing executed by the parties hereto.

16.5 Waivers:

The waiver by either party of a breach or other violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or any other provision of this Agreement.

16.6 Compliance with Law:

Franchisee will comply with all applicable laws, rules and regulations (whether issued by a governmental agency, school, youth organization, playground or track owner, or similar entity) in carrying out the management and administration of the school. Franchisee will obtain all necessary permission to use facilities and file required requests, if any, for facility usage, whether with schools, playgrounds or other owners or facility operators.

16.7 Goodwill and Duty of Cooperation:

Franchisee acknowledges that the Trademarks, Intellectual Property and School have acquired valuable goodwill with the public. Franchisee will not do or suffer to be done any act or thing which, directly or indirectly, may diminish the value of the Trademark or School, or detract from Franchisor's reputation, or otherwise affect detrimentally the goodwill of Franchisor. Franchisee shall cooperate fully and in good faith with Franchisor for the purpose of securing, preserving and protecting Franchisor's rights in and to the Trademarks and Intellectual Property. Franchisee shall, pursuant to the provisions of this Agreement, hereof, fully indemnify and hold harmless Franchisor from any act or activity by Franchisee that in any way threatens or endangers Franchisor's goodwill in the Trademarks, the Intellectual Property and the School.

16.8 Notice:

Unless otherwise provided herein, any notice, demand, or communication required, permitted, or desired to be given hereunder shall be in writing and shall be delivered by hand, by telex or telecopy, by facsimile, or by registered or prepaid certified mail through the Indian postal service, return receipt requested, addressed as follows:

Franchisor: _____

Franchisee: _____

or to such other address, and to the attention of such other persons or officers as either party may designate by written notice. Any notice so addressed and mailed shall be deemed duly given three (3) days after post, and if delivered by hand, shall be

deemed given when delivered, and if telecopied, telexed, or sent by facsimile, shall be deemed given on the first business day immediately following transmittal.

16.9 Counterparts:

This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same Agreement.

16.10 Confidentiality:

To the extent that Franchisee obtains information about Franchisor and its activities that is of a confidential, non-public nature, including access to “Franchisee-only” areas of the Website, Franchisee agrees to maintain such information as confidential and not to provide such information to third parties without consent of Franchisor.

16.11 Sections and Other Headings:

The sections and other headings contained in this Agreement are for reference purposes only, and shall not affect in any way the meaning or interpretation of the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

FRANCHISOR:

FRANCHISEE:

(Name)

(Name)

By:

By: _____

Title: _____

Title: _____