

# Exclusive Territory Franchise Agreement

This Exclusive Territory Franchise Agreement ("Agreement") is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between:

**Franchisor:** \_\_\_\_\_

**Franchisee:** \_\_\_\_\_

Collectively referred to as the "Parties."

## 1. Grant of Franchise

The Franchisor hereby grants to the Franchisee, and the Franchisee accepts, the exclusive right to operate a franchise under the Franchisor's trademark and system within the defined Exclusive Territory described in Section 2 below.

## 2. Exclusive Territory

The Exclusive Territory granted to the Franchisee is described as follows:

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The Franchisor shall not establish, nor license others to establish, any other franchise locations within the Exclusive Territory during the term of this Agreement.

## 3. Term

This Agreement shall commence on the Effective Date and continue for a period of \_\_\_\_\_ years, unless earlier terminated in accordance with this Agreement.

## 4. Franchise Fees

- Initial Franchise Fee:** \$ \_\_\_\_\_
- Ongoing Royalty Fee:** \_\_\_\_\_ % of Gross Sales, payable monthly.
- Other Fees:** As set forth in the Operations Manual or as agreed upon by both Parties.

## 5. Franchisee Obligations

- Operate the franchise in compliance with the Franchisor's standards and procedures.
- Maintain quality and service standards as required by the Franchisor.
- Participate in mandatory training programs provided by the Franchisor.
- Promote and use only the approved products and services provided by the Franchisor.

## 6. Franchisor Obligations

- Provide initial training and ongoing support to the Franchisee.
- Grant the use of Trademarks and proprietary systems to the Franchisee.

- Supply approved products and materials as requested by the Franchisee.
- Not license or operate another franchise within the Exclusive Territory.

## 7. Termination

This Agreement may be terminated by either party upon written notice for any material breach, subject to any applicable cure period. Additional grounds for termination may include but are not limited to:

- Non-payment of fees
- Violation of operational standards
- Insolvency or bankruptcy

## 8. Miscellaneous

- This Agreement represents the entire understanding between the Parties with respect to the subject matter herein.
- Any amendments or modifications must be in writing and signed by both Parties.
- This Agreement shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_.

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Franchisor Signature

Date: \_\_\_\_\_

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Franchisee Signature

Date: \_\_\_\_\_

*[This is a sample template for reference purposes only. Consult legal professionals before use.]*