

Initial Franchisee Agreement Template

Restaurant Chain

This Franchise Agreement ("Agreement") is made and entered into as of [Date], by and between:

- **Franchisor:** [Franchisor Company Name], having its principal place of business at [Address]
- **Franchisee:** [Franchisee Name], residing at [Address]

1. Grant of Franchise

The Franchisor hereby grants to the Franchisee the right to operate a restaurant under the Franchisor's brand at the following location: [Location Address].

2. Term

The term of this Agreement shall be [number] years commencing from the date hereof, unless sooner terminated as provided herein.

3. Fees and Payments

- Initial Franchise Fee: \$[Amount]
- Ongoing Royalty Fee: [Percentage]% of Gross Sales, payable monthly
- Marketing/Advertising Fee: [Percentage]% of Gross Sales

4. Franchisee Obligations

1. Operate in strict accordance with the Franchisor's standards and operating procedures.
2. Maintain quality and cleanliness standards.
3. Participate in required training programs.
4. Submit regular financial and operational reports.

5. Franchisor Obligations

1. Provide training, support, and operational manuals.
2. Grant access to proprietary materials and systems.
3. Conduct periodic inspections and evaluations.

6. Intellectual Property

The Franchisee acknowledges the Franchisor's exclusive ownership of all trademarks, service marks, and proprietary information. The Franchisee shall use such intellectual property solely in connection with the operation of the franchised restaurant.

7. Termination

This Agreement may be terminated by the Franchisor upon material breach of its terms by the Franchisee or upon mutual agreement. Upon termination, the Franchisee shall cease all use of the Franchisor's brand and materials.

8. Miscellaneous

- This Agreement constitutes the entire agreement between the parties.
- No amendment shall be binding unless in writing and signed by both parties.
- This Agreement shall be governed by the laws of [Jurisdiction].

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Franchisor Signature

Date

Franchisee Signature

Date