

SINGLE-UNIT FRANCHISE AGREEMENT

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SINGLE-UNIT FRANCHISE AGREEMENT

UNIT FRANCHISE AGREEMENT entered into in the City of, Province of, Canada.

BETWEEN: V1 (*name of natural person*), (*occupation*), domiciled and residing at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*);

OR

V2 (*corporate name*), duly attests that it is a legal person duly incorporated under the *Act (name of statute under which the corporation was incorporated)*, having its principal place of business at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*), and duly registered under the designating number (.....) in accordance with the *Act (name of the statute respecting the legal publicity of enterprises under which the corporation is registered)*;

OR

V3 (*corporate name*), duly attests that it is a legal person duly incorporated under the *Act (name of statute under which the corporation was incorporated)*, having its head or registered office at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*), and duly registered under the designating number (.....) in accordance with the *Act (name of the statute respecting the legal publicity of enterprises under which the corporation is registered)* represented by (*name of representative*), its (*title of representative*), duly authorized for the purposes hereof, as he/she so declares;

OR

V4 (*corporate name*), duly attests that it is a legal person, duly incorporated under the *Act (name of statute under which the corporation was incorporated)*, having its head or registered office at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*), and duly registered under the designating number (.....) in accordance with the *Act (name of the statute respecting the legal publicity of enterprises under which the corporation is registered)* represented by (*name of representative*), its (*title of representative*), duly authorized for the purposes hereof as he/she

FRANCHISOR	FRANCHISEE

SINGLE-UNIT FRANCHISE AGREEMENT

so declares [or as indicated in the resolution of the sole director [OR board of directors]], attached hereto as Schedule A;

OR

V5 (*common business name*), [general partnership], **OR** [limited partnership represented by (*name of its general partner*), its general partner] **OR** [undeclared partnership], **OR** [joint venture], **OR** [collaboration], **OR** [any other group of persons] exercising an organized economic activity of a commercial nature, duly formed under the [*Civil Code of Quebec*] **OR** [any applicable general law] **OR** [any other applicable statute], having its head or registered office at (*civic number and street name*), in the City of (*name of city*), Province of (*name of province*), (*postal code*), and duly registered (*as the case may be*) under the designating number (.....) in accordance with the Act (*name of the statute respecting the legal publicity of enterprises under which the corporation is registered*) represented by (*name of representative*), its (*title of representative*), duly authorized for the purposes hereof as he/she so declares [or as indicated in the resolution of the partners of the general partnership], **OR** [as indicated in the resolution of the sole director [or Board of Directors] of the general partner of the limited partnership], **OR** [as indicated in the resolution of the partners of the undeclared partnership], **OR** [as indicated in the resolution of the sole director [or Board of Directors] of each participant in the joint venture, **OR** [as indicated in the resolution of the sole director [or Board of Directors] of each participant in the collaboration] **OR** [as indicated in the resolution of the members of any other group of persons], attached hereto as Schedule A;

HEREINAFTER REFERRED TO AS THE “FRANCHISOR”;

AND: (*identify the franchisee*);

HEREINAFTER REFERRED TO AS THE “FRANCHISEE”;

HEREINAFTER COLLECTIVELY REFERRED TO AS THE “PARTIES”.

AND AS INTERVENOR: (*identify surety, if applicable*);

HEREINAFTER REFERRED TO AS THE “SURETY”.

FRANCHISOR	FRANCHISEE

SINGLE-UNIT FRANCHISE AGREEMENT

RECITALS

THE PARTIES DECLARE AS FOLLOWS:

- (A) The FRANCHISOR operates a (*describe type of business*) business (hereinafter the “**Business**”) under the business name “.....” and, in the course of its operations, it has developed an original and exclusive concept (hereinafter the “**Concept**”) that enjoys regular patronage in the Province of Quebec;
- (B) The Concept’s originality and exclusivity is a culmination of numerous elements specific to the Business, most notably the choice of its location, its means of identification, the physical layout both inside and outside the operating area for this type of business, its products, its organization, its administration, its equipment, how it selects and uses its personnel, the dress code for its personnel, and its sources for supplies;
- (C) The FRANCHISOR has, in its strategic planning, opted to promote and to set up its original and exclusive Concept through a franchise network;
- (D) The FRANCHISEE is interested in the Business and wishes, following the analysis of the documentation provided by the FRANCHISOR and other information that it might have obtained from other sources, to take advantage of the opportunity to exploit a (*type of business*) in collaboration with the FRANCHISOR, as part of a franchise network, with the goal of benefiting from the advantages related to this Concept;
- (E) The FRANCHISEE acknowledges that the elaboration and promotion of this Concept is the result of significant investment, both in time and in money, by the FRANCHISOR, and that each of the elements of which it is composed have been studied, analyzed and modified with the goal of contributing most advantageously to the operation of the Business;
- (F) The FRANCHISEE acknowledges, following its analysis, that because of such investment, the above-mentioned elements represent a homogeneous and functional business model that can be the basis for expansion through the creation of a franchise network;
- (G) The FRANCHISEE acknowledges, following its analysis, that the success of this geographic expansion is contingent upon the strict observance of the standards that have contributed to the success of the initial concept;

FRANCHISOR	FRANCHISEE

SINGLE-UNIT FRANCHISE AGREEMENT

- (H) The FRANCHISEE acknowledges, following its analysis, that the distinctive elements of the FRANCHISOR are, insofar as possible, exclusive to the latter and, accordingly, it alone may grant the right to use and operate the above-mentioned elements as a whole in the form of a franchise;
- (I) The FRANCHISOR has proven, to the satisfaction of the FRANCHISEE, that it holds all exclusive rights for the purpose of opening and operating the Business under the name “.....” for the territory defined herein;
- (J) The FRANCHISEE wishes to obtain a “single-unit” franchise in order to operate, on an exclusive basis, a (*describe business*) within the defined territory and, accordingly, it has received all information from the FRANCHISOR that it considers necessary or useful for the evaluation of this project;
- (K) The FRANCHISOR, after review, agrees to grant a franchise to the FRANCHISEE under the terms and conditions and for the territory defined herein;
- (L) The PARTIES have freely negotiated the provisions of the standard contract used by the FRANCHISOR to define their contractual relations under a franchise arrangement, and the FRANCHISEE has obtained all explanations considered necessary or useful to understand the obligations it is subscribing to and to evaluate the inherent risks of the commercial operation described herein;
- (M) The PARTIES wish to record the terms of their agreement regarding such purpose in a written document.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

0.00 INTERPRETATION

0.01 Definitions

Unless otherwise indicated, the following capitalized terms or expressions throughout the Agreement have the meaning indicated below:

0.01.01 Activities

means all the business activities of the FRANCHISOR (and businesses of the same Group as the latter) in (*identify business sector*);

0.01.02 Agreement

FRANCHISOR	FRANCHISEE