



FRANCHISE AGREEMENT

THIS AGREEMENT is made on the 25th of November 2013 between: SURVIVAL LABS LTD trading as GOLDGENIE GLOBAL whose registered office is at: 64 Clarendon Road Watford Herts WD17 1DA ("the Franchisor") and: **TBA** whose principal place of business is at **TBA** ("the Franchisee")

NOW IT IS AGREED as follows:

1 DEFINITIONS

In this agreement the following expressions shall have the following meanings:

- 1.1 "The Franchise" shall mean a franchise of the business operated by the Franchisor namely, GOLDGENIE GLOBAL (Legal name Survival Labs Ltd)
- 1.2 "The Franchise Business" shall mean the Franchise business operated by the Franchisee in terms of this agreement;
- 1.3 "The Initial Franchise Fee" shall mean the initial cost of the Franchise as paid by the Franchisee to the Franchisor;
- 1.4 "Intellectual Property" shall mean those trademarks, service marks, logos and all other intellectual property listed in Schedule 2;
- 1.5 "Know-how" shall mean a body of non-patented practical information, resulting from experience and testing by the Franchisor, which is secret, substantial and identified:

"secret" means that the know-how, as a body or in the precise configuration and assembly of its components, is not generally known or easily accessible; it is not limited in the narrow sense that each individual component of the know-how should be totally unknown or unobtainable outside the Franchisor's business;

"substantial" means the know-how includes information which is of importance for the sale of goods or the provision of services to end users, and in particular for the presentation of goods for sale, the processing of goods in connection with the provision of services, methods of dealing with customers, and administration and financial management; the know-how must be useful for the Franchisee by being capable, at the date of conclusion of the agreement, of improving the competitive position of the Franchisee, in particular by improving the Franchisee's performance or helping it to enter a new market;

"Identified" means that the know-how must be described in a sufficiently comprehensive manner so as to make it possible to verify that it fulfills the criteria of secrecy and substantiality;



1.6 "Product Fee" shall mean the cost of products and materials ordered from the Franchisor as paid by the Franchisee to the Franchisor as detailed in Appendix 1;

1.7 "The Territory" shall mean the area or areas listed in Schedule 1.

2 GRANT OF FRANCHISE

2.1 The Franchisor appoints the Franchisee on an exclusive basis in the Territory.

2.2 The Franchisor hereby appoints to the Franchisee all the relevant rights to carry on business as a Franchisee.

3 LOCATION

The Franchisee will operate the Franchised Business from **(state trading address)**.

4 DURATION OF APPOINTMENT

4.1 This agreement shall remain in force for three years from the date of signature by the parties.

4.2 The Franchisor consents to allow the Franchisee to renew the agreement subject to renewal terms being agreed and where the Franchisee has operated the Franchise successfully and in accordance with the terms of this agreement.

5 PAYMENT AND FEES

5.1 The Franchisee will pay to the Franchisor the Initial Franchise Fee of **£TBA** on the date of signing of this agreement.

5.2 The Franchisor reserves the right to charge interest on all late payments at a rate of 4% per annum above the base lending rate of Barclays Bank Plc.

5.3 The Franchisor is also entitled to recover all reasonable expenses incurred in obtaining payment from the Franchisee where any payment due to the Franchisor is late.

5.4 As a legal United Kingdom requirement commissions are calculated and based on extracting the Vat value from the United Kingdom website price prior to deducting agreed commissions.

6 OBLIGATIONS OF FRANCHISOR

During the term of the agreement the Franchisor will:

6.1 provide initial training to the Franchisee so that the Franchisee can operate the Franchise successfully and offer on-going training where the Franchisor deems necessary;

6.2 provide updates when available to the Franchisee on marketing strategy for the Franchise



7 OBLIGATIONS OF FRANCHISEE

During the term of the agreement the Franchisee will:

- 7.1 comply with all reasonable requirements of the Franchisor at all times;
- 7.2 devote whatever time and attention to the Franchise as is necessary to carry out and procure the greatest volume of business consistent with the provision of a good service to customers;
- 7.3 do everything that is required to promote and expand the Franchise;
- 7.4 protect the name and goodwill of the Franchise by conducting business in a responsible manner;
- 7.5 restrict the use of the Franchise name and assets for the purpose of the Franchise only;
- 7.6 abstain from any direct or indirect involvement with a competing business;
- 7.7 conduct the Franchise business from the address given in this agreement;
- 7.8 observe all national, regional and local laws of the Territory;
- 7.9 register the Franchise for Value Added Tax and any other taxes that may apply in the Territory if required;
- 7.10 operate valid insurance policies to cover Franchise property and contents, public liability, vehicles and other assets and liabilities of the Franchise Business if applicable.;
- 7.11 obtain all necessary licences required to operate the Franchise in the Territory;
- 7.12 not disclose to third parties the know-how provided by the Franchisor;
- 7.13 The Franchisee will be set an annual revenue target by the Franchisor of **£90.000.00** per annum and this target shall be reviewed 12 months from the date of this agreement and every 12 months thereafter. Should the Franchisee fail to achieve the targets set by the Franchisor for a particular year, the Franchisee and Franchisor shall discuss possible remedies of increasing revenue. Should the Franchisee be persistent in failing to meet the set quarterly revenue targets then the Franchisor may at its discretion terminate this agreement by giving not less than 30 days' notice to the Franchisee

8 RECORDS AND ACCOUNTS

- 8.1 The Franchisee is required to maintain full and accurate records for the duration of the Franchise.



8.2 The Franchisee is required to provide the Franchisor with access to accounts held by the Franchisee in respect of the Franchise Business on a quarterly basis or with the Franchisor giving thirty days' notice to the Franchisee.

8.3 The Franchisee is required to provide a copy of any VAT return submitted on behalf of the Franchise, if requested.

8.4 The Franchisee is required to provide the Franchisor with details of all marketing plans carried out by the Franchisee.

9 INTELLECTUAL PROPERTY

9.1 The Franchisor grants to the Franchisee all rights to use the trademarks, copyrights, patents, literature, logos, know-how and other intellectual property as detailed in Schedule 2 of this agreement, subject to the restrictions in Clause 9.2 of this agreement.

9.2 The Franchisee shall not use the Intellectual Property in any way so as to invalidate any registration requirements or permit the use of the Intellectual Property by any third parties.

9.3 The permission granted by the Franchisor to the Franchisee in respect of the use of the Intellectual Property belonging to the Franchisor exists only for the duration of the Franchise.

9.4 The ownership of the Intellectual Property remains with the Franchisor.

10 CONFIDENTIALITY

10.1 All terms of this agreement and information relating to the Franchise shall be kept confidential by the Franchisee for the term of the Franchise and thereafter from the date of termination of this agreement unless disclosure is required by law in the jurisdiction of this agreement.

10.2 Confidential information includes, but is not limited to, financial, marketing, sales, trade and technical data.

11 CONTROL OF STANDARDS AND TRAINING

11.1 The Franchisee must comply with all procedures as agreed with the Franchisor.

11.2 Persons employed by the Franchisee who fail to meet the requisite standards of employment as stipulated by the Franchisor must be dismissed by the Franchisee. Any costs associated with such a dismissal are the responsibility of the Franchisee.

11.3 Failure by the Franchisee to meet the minimum standards necessary to complete the initial training programme and any subsequent training programmes results in the Franchisor having the right to terminate this agreement.

11.4 The Franchisee must deal with all customer complaints promptly. Any complaint unable to be resolved under these terms must be notified to the Franchisor immediately.



12 **EQUIPMENT AND PRODUCTS**

12.1 Products and equipment required by the Franchisee for the purpose of operating the Franchise must be purchased from the suppliers nominated by the Franchisor. Alternative suppliers are permitted with the prior consent of the Franchisor.

13 **LIMITATION OF LIABILITY**

13.1 The Franchisee agrees to indemnify the Franchisor against all damage, loss or liability suffered by the Franchisor as a result of the actions or omissions of the Franchisee.

13.2 The Franchisor shall not be liable to the Franchisee for any direct or indirect damages whether actual or reasonably foreseen.

13.3 The Franchisor and Franchisee shall indemnify each other for fraud, personal injury or death caused by the negligence of their employees whilst performing their duties in terms of this agreement.

13.4 All other liability, not expressly assumed within this agreement, is excluded.

13.5 The Franchisor and Franchisee hereby agree that the limitations and exclusions of liability set out in this agreement are reasonable.

14 **SALE OF THE FRANCHISE**

14.1 Permission for the Franchisee to sell the Franchise should not be unreasonably withheld by the Franchisors subject to a fee to be determined by the Franchisor and should the necessary conditions required for obtaining an initial Franchise be met by any prospective purchaser.

14.2 The Franchisee, know-how and other confidential information relating to the Franchise must not be passed to any prospective purchaser prior to a confidentiality agreement being signed.

14.3 The Franchisee must meet all the Franchisor's legal and other costs associated with the sale of the Franchise as well as five percent of the purchase price plus vat in respect of administrative expenses.

14.4 If the Franchisee requests that the Franchisor find a suitable purchaser for the Franchise then a percent fee to be determined of the purchase price is payable by the Franchisee to the Franchisor.

14.5 In the event of the Franchisee selling the Franchise the Franchisor must be given the option to purchase the Franchise at the same price and in the same terms as the proposed purchaser.

15 **TERMINATION OF THE AGREEMENT**

15.1 This agreement may be terminated without prejudice to any right or remedy either party may have against the other for breach or non-performance of this agreement if any of the following circumstances arise:



- 15.1.1 either party commits a substantial breach of this agreement including, but not limited to, non-performance, default or neglect of the duties as specified in this agreement, the Franchisee failing to open the outlet as agreed, the termination of any licence needed for the outlet to function, the conviction of a criminal offense which materially affects the operation of the Franchise Business or the Franchisee providing false or misleading information to the Franchisor;
 - 15.1.2 persistent breaches of any terms of this agreement which are not remedied after thirty (30) days' notice of the breach to the defaulting party;
 - 15.1.3 where the general conduct of the Franchisee is likely to have a serious or detrimental effect upon the Franchisor;
 - 15.1.4 either party is unable or has no reasonable prospects of paying their debts or enters into an agreement with creditors to the detriment of the Franchise, or becomes subject to an administration order as a company, or goes into liquidation or has the receiver of any assets appointed or threatens to cease operating the Franchise.
- 15.2 Termination will be immediate upon written notice to the offending party and without prejudice to any remedy either party may have against the other for any breach committed prior to the date of such termination or which gave rise to the termination.
- 15.3 Upon termination of this agreement the Franchisee shall promptly return all documentation relating to the products, services and business activities of the Franchise that have relevance to the Franchisor.
- 15.4 All terms of this agreement intended by the Franchisor to survive any termination of the agreement shall continue, including, but not limited to, confidentiality and intellectual property conditions.

16 **RESTRICTIVE COVENANTS**

- 16.1 The Franchisee shall not for a period of twenty four months after the termination of this agreement be directly or indirectly involved with a third party business that competes with the Franchise. This includes, but is not limited to, the development, promotion, sale or supply of any products or services that compete with the products and services of the Franchisor.
- 16.2 The Franchisee shall not for a period of twenty four months after the termination of this agreement approach or canvass customers or former customers of the Franchise.
- 16.3 The Franchisee shall not disclose any information or copy any part of the Franchisee Manual to any third party at any time after the termination.

17 **NOTICES**

Any notice required to be given by either party to the other may be sent by either email, fax or recorded delivery to the most recent email address, fax number or address notified to the other party, and if sent by email shall unless the contrary is proved be deemed to be received on the day it was sent or if sent by fax shall be



deemed to be served on receipt of an error free transmission report, or if sent by recorded delivery shall be deemed to be served 2 days following the date of posting.

18 FORCE MAJEURE

Neither party shall be liable for delay or failure to perform any obligation under this agreement if the delay or failure is caused by any circumstance beyond their reasonable control, including but not limited to, acts of God, war, civil unrest or industrial action. If such delay or failure continues for a period of at least thirty days then the party not subject to the force will be entitled to terminate the agreement by written notice to the other.

19 WAIVER

Failure or neglect by either party to exercise any of its rights or remedies under this agreement will not be construed as a waiver of that party's rights nor in any way affect the validity of the whole or part of this agreement nor prejudice that party's right to take subsequent action.

20 ASSIGNMENT

This agreement is personal to the parties and neither this agreement nor any rights, licences or obligations under it may be assigned by either party without the prior written approval of the other party.

21 ENTIRE AGREEMENT

This agreement contains the entire agreement between the parties relating to the subject matter and supersedes any previous agreements, arrangements, undertakings or proposals, oral or written. This agreement may be varied only by a document signed by both parties.

22 INCORPORATION

If applicable, any subsequent incorporation of the Franchise Business by the Franchisee as a limited liability company is only possible with the prior permission of the Franchisor.

23 INDEPENDENT ADVICE

The Franchisee acknowledges that it has been advised by the Franchisor to take independent professional advice on the terms of this agreement and the purchase of the Franchise prior to entering into this agreement.

24 SEVERANCE

If any provision of this agreement is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if this agreement had been agreed with the invalid illegal or unenforceable provision eliminated.



25 SET-OFF

The Franchisee is prohibited from withholding any monies due to the Franchisor on the grounds that they are due to receive monies owed by the Franchisor.

26 BLOCK EXEMPTION

The Franchisor is entitled to amend any part of this agreement that may become invalid as a result of changes to the applicable European Commission Block Exemption.

GENERAL

- 1 The Schedules to this agreement constitute an integral part thereof.
- 2 No addition or modification of any clause or term of this agreement shall be binding on the parties unless made in writing and signed by the signatories to this agreement or their duly authorised representatives.
- 3 Reference to any Statutory Provision in this agreement shall include any future Statutory Provisions which amend or replace it.
- 4 This agreement is binding and any funds paid as deposit or in full are not refundable
- 5 The exclusivity offered by this agreement is for all online sales only and can be subject to change upon written approval by the Franchisor.
- 6 Any existing commercial relationships with resellers will be honoured by the franchisor in the territory governed by this agreement.
- 7 All order chargeback's customer refunds and cancellations for any reason will be deducted from all future payable invoices

GOVERNING LAW AND JURISDICTION

This agreement shall be governed by and construed in accordance with the law of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

IN WITNESS whereof this agreement is signed on the date hereof as follows:

SIGNED by OR for and on behalf of the Franchisor:

FRANCIS FERNANDO

LABAN ROOMES

Signature:

Signature:

Before this witness:

Witness signature:

Witness name:

Witness address:



SIGNED by OR for and on behalf of the Franchisee:

Signature:

Before this witness:

Witness signature:

Witness name:

Witness address:

SIGNED by OR for and on behalf of the Franchisee:

Signature:

Before this witness:

Witness signature:

Witness name:

Witness address:



APPENDIX

Preferential pricing and performance:

Survival Labs Ltd t/a Goldgenie Global – DISTRIBUTOR DISCOUNTS – CONFIDENTIAL.

1. License Agreement fee for master franchise:
2. 20% discount on all orders for Goldgenie business opportunity systems.
3. 40% off all other products on the Goldgenie UK web site prices
(Prices are calculated based on the 20/20 discount model where Vat has been included; the first 20% must be extracted and a further 20% deducted)
4. 50% off our range of gold and platinum roses, golf balls, (minimum quantities apply)
5. 20% off all chemical prices
6. All new territories sold will mean a 60% commission payable to Survival Labs Ltd t/a Goldgenie Global
7. Sales reporting and invoicing must take place on the 30th day of each month; failure to comply could lead to forfeiture of commission for the period, invoices to be emailed to sales@goldgenie.com
8. All order chargeback's customer refunds and cancellations for any reason will be deducted from future invoices

Products, prices and services offered by Goldgenie Global are subject to change without prior notice.



SCHEDULE 1

THE TERRITORY

The geographical area will be: TBA



SCHEDULE 2

INTELLECTUAL PROPERTY

Intellectual Property licensed to the Franchisee by the Franchisor:

Intellectual Property licensed to the Franchisee by the Franchisor:

Exclusive territory

Full E commerce website

Images and Marketing material

Goldgenie brand and all its uses