**FRANCHISE AGREEMENT**

This Franchise Agreement ("Agreement") is made and entered into on this \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_ 2025, by and between:

[Franchisor Name], a company duly registered under the Companies and Allied Matters Act (CAMA) of Nigeria, with its principal office at [Franchisor Address] (hereinafter referred to as the "Franchisor").

AND

[Franchisee Name], an individual/business entity with its principal address at [Franchisee Address] (hereinafter referred to as the "Franchisee").

**RECITALS:**

WHEREAS, the Franchisor owns and operates a successful business system under the name [Franchise Name], including proprietary branding, operations manuals, trade secrets, and other intellectual property;

WHEREAS, the Franchisee desires to obtain the non-exclusive rights to operate a franchise under the Franchisor’s brand, and the Franchisor agrees to grant such rights under the terms and conditions stated below;

NOW, THEREFORE, the parties agree as follows:

1. GRANT OF FRANCHISE: The Franchisor hereby grants to the Franchisee a non-exclusive, non-transferable right to operate a business under the name and system of the Franchisor within the territory of [Insert City/Region].

2. TERM AND RENEWAL: The initial term of this Agreement shall be for five (5) years, beginning from the Effective Date. This Agreement may be renewed for successive terms of three (3) years upon mutual agreement, subject to the Franchisee’s compliance.

3. FRANCHISE FEES:

a. Initial Franchise Fee: ₦[Amount] payable upon signing.

b. Royalty Fee: [Percentage]% of gross monthly sales, payable by the 5th day of each month.

c. Marketing Contribution: [Percentage]% of gross monthly sales for national marketing efforts.

4. TRAINING AND SUPPORT: The Franchisor shall provide initial onboarding training and ongoing operational support. The Franchisee agrees to attend and ensure staff attend all mandatory training programs.

5. BRAND USAGE AND COMPLIANCE: Franchisee shall use only approved brand materials and operate in strict conformity with the Franchise Operations Manual. Unauthorized alteration or misuse of the brand is grounds for termination.

6. TERRITORIAL RIGHTS: The Franchisor does not grant exclusive territorial rights. Franchisee acknowledges the Franchisor may open or license other franchises within the same area unless exclusivity is granted in writing.

7. REPORTING AND AUDIT: Franchisee shall keep accurate financial records and submit monthly sales reports. The Franchisor reserves the right to audit such records upon reasonable notice.

8. INTELLECTUAL PROPERTY: All logos, trademarks, procedures, manuals, and know-how remain the exclusive property of the Franchisor. Franchisee receives only a license to use them as outlined herein.

9. TERMINATION: This Agreement may be terminated:

a. For cause, including breach of terms, non-payment, or misrepresentation.

b. By either party with ninety (90) days written notice.

c. Upon mutual agreement.

10. POST-TERMINATION: Franchisee shall cease using all Franchisor materials and return all manuals and branding assets. Any continued use of brand IP post-termination will result in legal action.

11. GOVERNING LAW: This Agreement shall be governed by the laws of the Federal Republic of Nigeria. Disputes shall be resolved via arbitration in accordance with Nigerian Arbitration laws.

12. ENTIRE AGREEMENT: This document constitutes the full understanding between the parties and supersedes all prior oral or written agreements.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Authorized Person Name]

[Designation]

FOR Franchisor

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Authorized Person Name]

[Designation]

FOR Franchisee