

Sub-Franchise Agreement Example for Regional Partners

1. Parties

This Sub-Franchise Agreement ("Agreement") is made on [Date] between:

1. **[Master Franchisor Name]**, with registered address at [Franchisor Address] ("Master Franchisor"),
2. **[Regional Partner Name]**, with registered address at [Regional Partner Address] ("Sub-Franchisee").

2. Grant of Sub-Franchise

The Master Franchisor grants the Sub-Franchisee the right to operate and manage the [Brand Name] franchise within the following region: [Designated Territory], for a period of [X] years, subject to compliance with this Agreement.

3. Franchise Fee & Royalties

- Initial Franchise Fee: \$[amount], payable upon signing.
- Ongoing Royalty Fee: [X]% of gross monthly revenue, payable on the [day] of each month.

4. Obligations of Sub-Franchisee

1. Operate the franchise in accordance with the Standards and Procedures Manual.
2. Maintain minimum service and product quality as required by the Master Franchisor.
3. Attend required training and meetings.
4. Use franchisor's trademarks and branding only as specified.
5. Submit accurate reports and financial statements.

5. Support from Master Franchisor

- Initial training and ongoing support.
- Updated operational manuals and marketing materials.
- Access to systems and suppliers as specified.

6. Term & Termination

1. This Agreement is valid for [X] years from the Effective Date.
2. Termination by either party is permitted for material breach, subject to [X] days' written notice.
3. Upon termination, Sub-Franchisee shall cease use of all franchisor-provided materials and branding.

7. Confidentiality & Non-Competition

1. Both parties agree to maintain the confidentiality of all proprietary information.
2. Sub-Franchisee shall not operate a competing business for [X] years post-termination within [designated territory].

8. Miscellaneous

1. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements.
2. Any amendments must be in writing and signed by both parties.
3. This Agreement is governed by the laws of [Jurisdiction].

Master Franchisor

Name: _____

Date: _____

Regional Partner (Sub-Franchisee)

Name: _____

Date: _____