

Memorandum of Understanding for Franchise Arrangements

Date: _____

1. Parties

This Memorandum of Understanding ("MOU") is entered into by and between:

Franchisor: _____

Address: _____

Representative: _____

Franchisee: _____

Address: _____

Representative: _____

2. Purpose

The purpose of this MOU is to set out the preliminary understanding between the parties in relation to the establishment and operation of a franchise arrangement, prior to entering into a formal franchise agreement.

3. Key Terms (Non-binding)

| Item | Description |
|-----------------------|-------------|
| Franchise Concept | _____ |
| Territory | _____ |
| Initial Franchise Fee | _____ |
| Ongoing Royalties | _____ |
| Term | _____ |
| Other Terms | _____ |

4. Confidentiality

Both parties agree to keep all information exchanged confidential and not to disclose it to any third party, except as required by law.

5. Non-Binding Effect

This MOU is not legally binding on either party, except in respect of the confidentiality obligations set out above. The parties will enter into a binding franchise agreement if both sides reach a mutual understanding on all material issues.

6. Duration

This MOU shall remain effective until superseded by a definitive agreement or terminated by either party with

written notice.

7. General Provisions

Any amendments to this MOU must be made in writing and signed by both parties.

Franchisor Name

By: _____

Date: _____

Franchisee Name

By: _____

Date: _____