|  |
| --- |
| A2Z Services  FRANCHISE AGREEMENT |
|  |
|  |
| **A2Z SERVICES (FRANCHISE) PTY LTD ACN: 661 642 557** |
| (as **Franchisor**) |
| and |
| Click or tap here to enter text. |
| (as **Franchisee**) |
| and |
| Click or tap here to enter text. |
| (as **Guarantor**) |

Table of Contents

**2****08A: FORMAT OF AN AGREEMENT]**

[1 cooling off 5](#_Toc145755588)

[2 grant AND PURPOSE 5](#_Toc145755589)

[3 franchise term 6](#_Toc145755590)

[4 RENEWAL OF THE FRANCHISED BUSINESS 6](#_Toc145755591)

[5 holding over 7](#_Toc145755592)

[6 Franchise Payments & FRANCHISOR COSTS 7](#_Toc145755593)

[7 PAYMENT OF ROYALTY Fee 9](#_Toc145755594)

[8 Territory and Premises 10](#_Toc145755595)

[9 Premises 11](#_Toc145755596)

[10 equipment 17](#_Toc145755597)

[11 Inventory 18](#_Toc145755598)

[12 vehicle 19](#_Toc145755599)

[13 LICENCES 20](#_Toc145755600)

[14 gross income supplement 20](#_Toc145755601)

[15 Opening Promotional Campaign 21](#_Toc145755602)

[16 Local Marketing Expenditure 22](#_Toc145755603)

[17 SOCIAL MEDIA ACCOUNTS 23](#_Toc145755604)

[18 Marketing Fund 23](#_Toc145755605)

[19 Approved services 25](#_Toc145755606)

[20 prices 25](#_Toc145755607)

[21 Leads 26](#_Toc145755608)

[22 Approved Suppliers 27](#_Toc145755609)

[23 responsible Manager AND PERSONNEL 27](#_Toc145755610)

[24 Minimum performance Criteria AND FAILURE TO ADHERE TO REQUIREMENTS 28](#_Toc145755611)

[25 standards and Specifications 29](#_Toc145755612)

[26 Customer INFormation 29](#_Toc145755613)

[27 Technology 30](#_Toc145755614)

[28 intellectual property 30](#_Toc145755615)

[29 BUSINESS NAME 31](#_Toc145755616)

[30 Customer Complaints and injury 32](#_Toc145755617)

[31 manuals 32](#_Toc145755618)

[32 confidential information and Privacy 33](#_Toc145755619)

[33 compliance with laws 34](#_Toc145755620)

[34 Financial Records, reporting and inspection rights 35](#_Toc145755621)

[35 Statement of Solvency 36](#_Toc145755622)

[36 insurance 37](#_Toc145755623)

[37 training 38](#_Toc145755624)

[38 meetings 38](#_Toc145755625)

[39 Not in use 38](#_Toc145755626)

[40 right of first refUsal 39](#_Toc145755627)

[41 TRANSFER OF THE FRANCHISED BUSINESS 40](#_Toc145755628)

[42 TRANSFER BY THE FRANCHISOR 41](#_Toc145755629)

[43 TERMINATION – FOR BREACH 42](#_Toc145755630)

[44 TERMINATION – SPECIAL CIRCUMSTANCES 42](#_Toc145755631)

[45 EVENT OF DEFAULT 42](#_Toc145755632)

[46 CROSS DEFAULT 43](#_Toc145755633)

[47 ACTION ON TERMINATION OR EXPIRY 43](#_Toc145755634)

[48 Option to purchase assets and aCquire lease 45](#_Toc145755635)

[49 SECURITY RETENTION AMOUNT 46](#_Toc145755636)

[50 RESTRICTIONS ON COMPETITION 47](#_Toc145755637)

[51 GOODWILL 48](#_Toc145755638)

[52 ACKNOWLEDGMENTS 48](#_Toc145755639)

[53 Corporation Provisions 49](#_Toc145755640)

[54 TRUSTEE PROVISIONS 49](#_Toc145755641)

[55 Death, PERMANENT DISABILITY AND SICKNESS 50](#_Toc145755642)

[56 GUARANTEE AND INDEMNITY 51](#_Toc145755643)

[57 Not used 52](#_Toc145755644)

[58 POWER OF ATTORNEY 52](#_Toc145755645)

[59 Good Faith 53](#_Toc145755646)

[60 resolving disputes 53](#_Toc145755647)

[61 INDEPENDENT ADVICE 53](#_Toc145755648)

[62 Connections 53](#_Toc145755649)

[63 PAYMENTS AND DEFAULT INTEREST 54](#_Toc145755650)

[64 COSTs 54](#_Toc145755651)

[65 INDEMNITY 54](#_Toc145755652)

[66 GST 55](#_Toc145755653)

[67 THE FRANCHISEE’S RELATIONSHIP WITH THE FRANCHISOR 55](#_Toc145755654)

[68 other Franchises 55](#_Toc145755655)

[69 time of the ESSENCE 56](#_Toc145755656)

[70 STATUTORY and other REGULATORY requirements 56](#_Toc145755657)

[71 NOTICES 56](#_Toc145755658)

[72 Force Majeure 56](#_Toc145755659)

[73 GENERAL 57](#_Toc145755660)

[74 RULES FOR INTERPRETATION 58](#_Toc145755661)

[75 DEFINITIONS 59](#_Toc145755662)

[Annexure A Warranties and Special Conditions Schedule 71](#_Toc145755663)

[Annexure B Territory 72](#_Toc145755664)

[Annexure C Fit Out Estimate (If Applicable) 73](#_Toc145755665)

[Annexure D Equipment List 74](#_Toc145755666)

[Annexure E Trade Marks 78](#_Toc145755667)

[Annexure F ASIC Business Name Authority 79](#_Toc145755668)

[Annexure G Competition Restraint & Confidentiality Deed 81](#_Toc145755669)

[Annexure H Franchisee’s Statement 84](#_Toc145755670)

[Annexure I Solicitor Statement 85](#_Toc145755671)

[Annexure J Accountant Statement 86](#_Toc145755672)

[Annexure K Business Advisor Statement 87](#_Toc145755673)

KEY ITEMS

| Item | Details | | | |
| --- | --- | --- | --- | --- |
| 1. **Franchisor:**   **Address:**  **Phone Number:**  **Email Address:** | A2Z SERVICES (FRANCHISE) PTY LTD ACN 661 642 557  1765 Davidson Road, Munro Plains, QLD 4854  1300 229 476  enquiries@a2zgroup.net.au | | | |
| 1. **Franchisee Name:**   **Address:**  **Phone Number:**  **Email Address:** | Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text. | | | |
| 1. **Trust Name (if applicable):**   **Trustee Name (if applicable):** | Click or tap here to enter text.  Click or tap here to enter text. | | | |
| 1. **Guarantor No. 1:**   **Address:**  **Phone Number:**  **Email Address:**  **Guarantor No. 2:**  **Address:**  **Phone Number:**  **Email Address:** | Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text. | | | |
| 1. **Responsible Manager:**   **Address:**  **Phone Number:**  **Email Address:** | Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text.  Click or tap here to enter text. | | | |
| 1. **Contract Date:** | Click or tap here to enter text. | | | |
| 1. **Expiry Date:** | Click or tap here to enter text. | | | |
| 1. **Term:** | 5 years from the Contract Date | | | |
| 1. **Additional Term:** | 5 years | | | |
| 1. **Commencement Date:** | Click or tap here to enter text. | | | |
| 1. **Premises:** | N/A | | | |
| 1. **Premises Criteria:** | N/A | | | |
| 1. **Territory:** | Means the area set out in the map attached at Annexure B. | | | |
| 1. **Business Name:** | A2Z Services – SERVICE - LOCATION | | | |
| 1. **Approved Service(s):each** | Services approved by the Franchisor for provision by the Franchisee:  Approved Pest Control Services   * 1. Approved Gardening Services   2. Approved Cleaning Services | | | |
| 1. **Documentation Fee:** | $3,200 (+ GST) | | | |
| 1. **Franchise Fee:** | Approved Click or tap here to enter text. Services | 100% of the Franchise Fee, Click or tap here to enter text. (+ GST), if the Franchisee has all required Licences as set out in clause 13;  OR  50% of Click or tap here to enter text. (+ GST) to be paid on the Contract Date if the Franchisee does not have the required Licences; and  the balance Click or tap here to enter text. (+ GST) to be paid upon completion of Training and acquisition of Licences as set out in clause 13 | | |
| 1. **Training Fee:** | Approved Click or tap here to enter text. Services | Included in the Franchise Fee;  OR  $500 (+ GST) per Day.  This fee is only payable if:   * 1. any initial training or any ongoing training is not completed to the Franchisor’s satisfaction; or   2. the Franchisee requests, or the Franchisor the Franchisee to undertake, additional training in accordance with this Agreement. | | |
| 1. **Site Selection Fee:** | N/A | | | |
| 1. **Project Management Fee:** | N/A | | | |
| 1. **Royalty Fee:** | Approved Click or tap here to enter text. Services | The greater of:   * 1. Click or tap here to enter text. (+GST) of Gross Revenue per Month; or   2. A flat fee of:      1. $300 per Month during the first three (3) Months commencing on the Contract Date;      2. $600 per Month during the period commencing on the fourth to sixth (4 – 6) Month following the Contract Date; and      3. $800 per Month during the remainder of the Term onwards. | | |
| 1. **Opening Promotional Fee:** | Included in the Franchise Fee. | | | |
| 1. **Local Marketing Expenditure:** | $500 (+ GST) per Month for each Approved Service. | | | |
| 1. **Marketing Fund:** | Click or tap here to enter text. (+GST) of Gross Revenue per Month for each Approved Service. | | | |
| 1. **Vehicle Fit Out:** | Click or tap here to enter text. for each Approved Service. | | | |
| 1. **Renewal Fee:** | N/A | | | |
| 1. **Transfer Fee:** | The greater of   * 1. $10,000 (+ GST); OR   2. an amount equal to 10% of the sale price of the Franchised Business. | | | |
| 1. **Minimum Performance Criteria:** | **Initial Performance Criteria – First twelve (12) Months from the Commencement Date** | | | | |
|  | $100,000 Gross Revenue per annum consisting of 48 weeks   * Averaging $450 (+ GST) per day * Net profit of 70% | | | | |
|  | Minimum completion of at least 10 jobs per Month | | | | |
|  | **Ongoing Performance Criteria – The Remainder of the Term** | | | |
|  | Area | | Performance Indicator | Target |
|  | Customer service - response | | Return phone communication | Within 24 hours |
|  |  | | Acknowledge/ respond to email communication | Within 24 hours |
|  |  | | Prepare and return a quote | Within 3 days of enquiry |
|  | Sales | | Sales targets met | Click or tap here to enter text. |
|  | Rework and QA | | Percentage of Quotes followed up as per Company protocol.  Response and remediation | 100% of Quotes followed up.  Initial response within 24 hours (Written confirmation of all communications), 7 days to decide on direction, 14 days to close out after decision is confirmed |
|  |  | | Number of jobs requiring reworks | Under 2% of total jobs and under 1% of revenue |
|  |  | | Completed jobs to be quality assured (completed to Franchisor’s procedural standards and as required by Manual) | 100% of jobs are to be quality assured and no issues raised by Customers within 3 days of completion |
|  | HR/WHS | | Comply with HR Processes e.g., recruitment and reviews | 100% |
|  |  | | Number of lost time injuries and recordable safety and environmental breach | 0 |
| 1. **Restraint Area:** | * 1. the whole of Australia; or if held by a court to be unreasonable   2. the State or Territory of Australia in which the Territory is located; or if held by a court to be unreasonable   3. any 5km radius of any Territory in which the Franchisor has granted a Franchise; or if held by a court to be unreasonable   4. the 5km radius of the Territory; or if held by a court to be unreasonable   5. the Territory. | | | |
| 1. **Restraint Period:** | * 1. 3 years after this Agreement ends; or if held by a court to be unreasonable   2. 2 years after this Agreement ends; or if held by a court to be unreasonable   3. 1 year after this Agreement ends; or if held by a court to be unreasonable   4. 6 Months after this Agreement ends. | | | |
| 1. **Security Retention Amount:** | $3,000 held for a 3 month period following any assignment of this Agreement, subject to the terms herein. | | | |
| 1. **Retainable Reasonable Expenses:** | Documentation Fee - $3,200 (+ GST)  Legal Costs associated with negotiating any changes to this Agreement - $395 (+ GST)/ hour  Administrative Costs – as actually incurred by the Franchisor | | | |

OPERATIVE PROVISIONS

1. cooling off
   1. The Franchisee is entitled to terminate this Agreement within 14 days, after the earlier of:
      * 1. entering into this agreement; or
        2. making any payment under this agreement.

(“**Cooling Off Rights**”)

* 1. If the Franchisee exercises its Cooling Off Rights pursuant to Clause 1.1, the Franchisee must provide the Franchisor written notice to that effect.
  2. If the Franchisee exercises its Cooling Off Rights pursuant to Clause 1.1, the Franchisor will return to the Franchisee within fourteen (14) days any money which the Franchisee has paid to the Franchisor, less the Retainable Reasonable Expenses.
  3. The franchisee will not be entitled to any Cooling Off Rights in the event the franchised business is renewed in accordance with this agreement.

1. grant AND PURPOSE
   1. Subject to this Agreement, and for the Initial Term and any Renewal Terms, if applicable, the Franchisor grants the Franchisee, and the Franchisee accepts, a non‑exclusive right to:
      * 1. operate the Franchised Business within the Territory; and
        2. use and display the Trade Marks;

solely in connection with the operation of the Franchised Business. In all other respects, the Franchisor reserves all rights under the Trade Marks. Termination or expiration of this Agreement shall constitute a termination or expiration of the rights and licence granted herein.

* 1. The rights granted to the Franchisee under this Agreement are non-exclusive and the Franchisor retains all rights within and outside the Territory (**Reserved Rights**). Accordingly, the Franchisor, and any other authorised person or entity, will, among others:
     + 1. have a right to market or provide the Approved Services to any Customer both within and outside the Territory, at its absolute discretion; and
       2. have the right to develop and establish other business systems using the Trade Marks, or other names or marks, and to grant licenses to use those systems without providing any rights to the Franchisee. This includes developing and establishing other approved services offered by A2Z Services to other Franchisees within the franchise network.
  2. The Franchisee shall not accept Customers from outside of its Territory unless such Customers are not within a territory occupied by another franchisee.
  3. For the purpose of this Agreement:
     + 1. a Customer is inside a territory in which the physical address is located for the Approved Services they request, subject to exceptions that may other be outlined in the Manuals; and
       2. a territory occupied by another franchisee means any geographical location that the Franchisor licences to a third party, the rights to operate a business that is similar to, or competitive with, the Franchised Business.
  4. The Franchisee acknowledges and agrees that:
     + 1. it must not operate the Franchised Business outside the Territory except for the purposes of local marketing;
       2. it only conducts the Franchised Business at the Premise within the Territory.
  5. The purpose of this Agreement is to:
     + 1. set out the terms and conditions on which the Franchisee is to be granted the Franchised Business;
       2. set out the requirements for the Franchisee’s membership to the Franchise Network and the Franchisee’s payment and other obligations during the Term and upon termination of this Agreement; and
       3. enable the Franchisor to regulate the Franchisee’s use of the Intellectual Property to protect the value and integrity of such items and help ensure a consistent Customer experience throughout the Franchise Network.
  6. The Franchisee agrees that:
     + 1. the purpose of this Agreement is not to provide the Franchisee with any guaranteed or projected income or return on investment or any ongoing right to operate the Franchised Business after this Agreement ends; and
       2. no other purpose is intended or to be implied.

1. franchise term
   1. Subject to clause 3.2, the Franchisee’s right to operate the Franchised Business starts on the Contract Date and expires on the Expiry Date.
   2. The Franchisee’s right to operate the Franchised Business may be terminated at a date prior to the Expiry Date as set out in clause 43.1 of this Agreement.
   3. Unless otherwise set out in this Agreement, the Franchisee must commence trading on or before the Commencement Date.
2. RENEWAL OF THE FRANCHISED BUSINESS
   1. The Franchisee’s right to renew the Franchised Business is subject to the satisfaction of the conditions set out in clauses 4.2, 4.3 and 4.4.
   2. If the Franchisee wishes to renew the Franchised Business for the Additional Term, the Franchisee must give the Franchisor written notice to that effect at least seven (7) Months before the Expiry Date but not more than twelve (12) Months before the Expiry Date.
   3. In addition to giving the Franchisor the notice referred to in clause 4.2, the Franchisee’s right to renew the Franchised Business is subject to the following pre-conditions:
      * 1. the Franchisee must not be in breach of this Agreement or any Related Agreement at the time the notice referred to in clause 4.2 is given;
        2. during the Term the Franchisee has substantially complied with this Agreement;
        3. the Franchisee has satisfied the Minimum Performance Criteria during the Term;
        4. the Franchisee has not been issued with more than three (3) breach notices in accordance with this Agreement or similar during the Term;
        5. the Franchisee has conducted, at the Franchisor’s request and at the Franchisee’s own cost, an upgrade and refurbishment of the Fit Out or Equipment to meet the then current Image or Franchisor’s requirements;
        6. the Franchisee has undertaken at the Franchisee’s own cost any additional training or re-training the Franchisor may reasonably require;
        7. the Franchisee has conducted an upgrade of the Electronic Equipment and Software and ensured that they comply with the Franchisor’s then current standards as detailed in the Manuals; and
        8. the Franchisee has obtained a guarantee and indemnity of the Franchisee’s obligations during the Additional Term in a form suitable to the Franchisor;
   4. If the Franchisee renews the Franchised Business:
      * 1. the Franchisee is required to enter into a new franchise agreement (and any Related Agreement) in the then current form for the Additional Term;
        2. the new agreement (and any Related Agreement) may contain terms which are different to those in this Agreement;
        3. the new agreement may not include another option to renew the Franchised Business, which the Franchisee acknowledges and agrees the Franchisor is under no obligation to provide to the Franchisee; and
        4. the Franchisee must pay the Franchisor any Costs which are incidental to the preparation, execution and stamping of the new franchise agreement.
   5. If the Franchisee provides the notice in accordance with clause 4.2, the Franchisor will inform the Franchisee of the Franchisor’s decision on whether to renew the Franchised Business no later than six (6) Months before the Expiry Date.
   6. No renewal fee is payable however the Franchisee must pay the Franchisors Legal Costs for preparing the new franchise agreement and any Legal Costs relating to preparing, negotiating or executing the new franchise agreement. For the avoidance of doubt, this includes the Documentation Fee.
   7. The Franchisee acknowledges and agrees the Franchisor is under no obligation to renew the Franchised Business.
   8. The Franchisee acknowledges that any cooling off period does not apply to any renewal, extension or Transfer of this Agreement.
3. holding over
   1. If the Franchisee wishes to continue operating the Franchised Business after the Expiry Date, the Franchisee must first obtain the Franchisor’s written approval before the Expiry Date.
   2. Subject to obtaining the Franchisor’s prior consent set out in clause 5.1, the Franchisee may continue operating the Franchised Business on a Month-to-Month basis, and on the same terms as contained in this Agreement.
   3. If the Agreement continues on the basis set out in clause 5.2, either the Franchisee or the Franchisor may terminate this Agreement with thirty (30) days’ notice to the other party.
   4. Any holding over period will be limited to a period of twelve (12) continuous Months from the Expiry Date unless otherwise agreed by the Franchisor and following such time, the Franchisee will work with the Franchisor and follow the Franchisor’s reasonable directions such as to Transfer or close the Franchised Business in the Franchisor’s absolute discretion.
4. Franchise Payments & FRANCHISOR COSTS
   1. The Franchisee is required to pay the Franchisor the following amounts under this Agreement:
      * 1. the Documentation Fee;
        2. the Franchise Fee;
        3. the Training Fee;
        4. not used;
        5. the Royalty Fee;
        6. the Local Marketing Expenditure Fee;
        7. the Marketing Fund;
        8. not used;
        9. the Security Retention Amount;
        10. the Vehicle Fit Out (if applicable);
        11. the Renewal Fee (if applicable); and
        12. the Transfer Fee (if applicable).
   2. The Documentation Fee is payable to the Franchisor by the Contract Date. In addition, the Documentation Fee:
      * 1. is not refundable and forms part of the Retainable Reasonable Expenses;
        2. is for the Franchisor’s Legal Costs relating to preparing, negotiating or executing this Agreement; and
        3. does not include any amount for the Franchisor’s Legal Costs that will or may be provided, after this Agreement is entered into, in relation to preparing, negotiating or executing other documents.
   3. The Franchise Fee is payable on the Contract Date, and if applicable in accordance with Item 17, the balance of the Franchise Fee upon acquiring all required Licences set out in clause 13.
   4. The Training Fee is payable if the Franchisee and at least 1 Responsible Manager (which can be the Franchisee’s director) or if the Franchisee is also the Responsible Manager, then just the Franchisee, does not complete the initial training and in accordance with clause 37.
   5. Where there are no Premises set out at item 11 of the Key Items, the Franchisee may be required to pay the Franchisor the Project Management Fee in accordance with clause 9.2(e). Where there are Premises set out at item 11 of the Key Items, the Franchisee must pay the Franchisor the Project Management Fee on the Contract Date.
   6. The Royalty Fee is payable Month throughout the duration of the Term, in accordance with clause 7.2.
   7. The Local Marketing Expenditure is payable every Month, in accordance with clause 16.
   8. The Marketing Fund fee is payable every Month, in accordance with clause 18.
   9. The Security Retention Amount is payable if the Franchisee Transfers the Franchised Business or if this Agreement comes to an end for any reason whatsoever and in accordance with clause 49.
   10. Not used.
   11. The Vehicle Fit Out is payable in accordance with clause 12.
   12. The Renewal Fee is payable in accordance with clause 4.5.
   13. The Transfer Fee is payable at the same date as the settlement date of the Transfer of the Franchised Business.
   14. The Franchisee must pay, or reimburse the Franchisor within seven (7) days of receipt of a written demand for payment from the Franchisor, all the Franchisor’s Costs in connection with or incidental to:
       * 1. the instructions for, and the negotiation, preparation, execution and stamping of this Agreement and any Related Agreement;
         2. any default by the Franchisee in observing or performing any of the Franchisee’s obligations under this Agreement, including the Franchisee’s obligation to comply with any Related Agreement;
         3. termination of this Agreement;
         4. variation of this Agreement where the variation is requested by the Franchisee or a Guarantor or required as a result of a breach by the Franchisee of any of the Franchisee’s obligations under this Agreement; and
         5. the attempted or actual enforcement, preservation or exercise of any right under this Agreement, including the Franchisor obtaining any advice or information as to the Franchisor’s rights under this Agreement.
5. PAYMENT OF ROYALTY Fee
   1. The Royalty Fee is calculated in accordance with the amount set out in item 21 of the Key Items.
   2. On the 1st Friday of each Month, the amount of the Royalty Fee calculated in accordance with clause 7.1 will be direct debited from the Franchisor’s nominated account.
   3. Prior to the Commencement Date and during the Term, the Franchisee must:
      * 1. provide to the Franchisor, the Franchisee’s debit card details from which payments are direct debited into the Franchisor’s nominated account;
        2. not change the Franchisee’s debit card details from which payments are paid from, without the Franchisor’s prior written consent; and
        3. keep all direct debit, electronic transfer and other permissions current and not make any changes to the Franchisee’s direct debit/electronic transfer facilities without the Franchisee’s prior written consent.
   4. If for any reason the Franchisor is unable to direct debit the Royalty Fee from the Franchisor’s nominated account, then:
      * 1. the Franchisor will reattempt to direct debit the Royalty Fee from the Franchisee’s nominated debit card until the Royalty Fee is paid; and
        2. the Franchisee is required to pay the Franchisor in addition to the unpaid Royalty Fee:
           1. interest on the unpaid Royalty Fee from the date it was due up to and including the date it is paid at the Default Rate of Interest; and
           2. a dishonour fee of $6 dollars. The dishonour fee is payable on each occasion the Franchisor is unable to direct debit the Franchisee’s account for payment of the Royalty Fee.
   5. The Franchisee must sign all relevant forms and consents authorising the Franchisor to direct debit the Franchisee’s nominated account or charge the Franchisee’s nominated credit card with payments due to the Franchisor in respect of the Royalty Fee including any transaction fees, interest and administration fees. The Franchisor will not seek to rely on such direct debit or credit card authorisation in relation to amounts of which the Franchisee has bona fide disputed by notice. The Franchisor may alter the prescribed payment methods from time to time.
   6. The Royalty Fee will increase on July 1st immediately following the Contract Date and each anniversary thereafter during the Term, by an amount equal to the greater of
      * 1. 3% per annum;
        2. or the CPI for the respective year;

at the relevant anniversary date.

1. Territory and Premises
   1. The Territory is a non-exclusive. The Territory may have more than one (1) Approved A2Z Services operated by either the Franchisee, or two (2) separate Franchisees each operating an A2Z Approved Service.
   2. The Franchisee agrees, and acknowledges that:
      * 1. the Franchisee is not granted an exclusive Territory;
        2. the Franchisor may establish and operate businesses or a different franchise substantially the same as the Franchised Business;
        3. the Franchisor may grant a Franchise to another Franchise in the Territory subject to clause 40;
        4. there is no exclusivity as to Customers; and
        5. the Franchisor or a Franchisor’s Associate may, in the Franchisor’s sole and absolute discretion, elect to actively solicit Customers or promote the sale of Approved Services within or outside the Territory.
   3. The Franchisee agrees and acknowledges that:
      * 1. under this Agreement the Franchisee is only entitled to operate a single Franchise; and
        2. nothing in this Agreement is intended to give any right or entitlement to the Franchisee to expand its business or be granted additional franchises.
   4. Without limiting the Franchisor’s other rights and remedies under this Agreement, if the Franchisee:
      * 1. fails to achieve the Minimum Performance Criteria or the Adjusted Minimum Performance Criteria;
        2. fails to actively promote the business to Customers within the Territory;
        3. fails to actively solicit Customers within the Territory;
        4. engages in any conduct that adversely affects the Franchisor; or
        5. otherwise breaches this Agreement; then

the Franchisor may notify the Franchisee in writing of the issue and in the Franchisor’s sole discretion, allow a period of no more than thirty (30) days in which the issue must either be rectified in the manner required by the Franchisor, or in which an acceptable written plan for rectification of the default must be provided to the Franchisor.

* 1. After the prescribed period has elapsed, the Franchisor will re-evaluate the previously identified issue and reserve the right, in its sole discretion, to take the action that the Franchisor believes is necessary using its best business judgement and experience and as permitted by law to rectify the issue, including but not limited to adjusting the Territory.
  2. If the Franchisor deems that adjusting the Territory is the appropriate course of action, the Franchisor may adjust the Territory by providing the Franchisee with a further written notice setting out the adjustment to the Territory, for which notice must be given at least twenty (20) days prior to the adjustment taking effect. At the end of the notice period prescribed in the adjustment notice, the Territory will be deemed to have been amended in the manner set out in that notice. This clause 8.6 does not limit or vary the Franchisor’s right to adjust the Territory pursuant to any other provision of this Agreement.

1. Premises
   1. General
      1. If there are no Premises required by this Agreement at the Contract Date, any clauses with respect to Premises do not apply. If at any time during the operation of this Agreement the Franchisee seeks to establish a Premises or the Franchisor requires the Franchisee to establish a Premises, all clauses referencing Premises will come into effect.
   2. Location of Premises
      * 1. In the event that no site has been located and agreed as the defined Premises as at the Contract Date, and no Premises is set out at Item 11 of the Key Items, the Franchisee must:
           1. still pay to the Franchisor the Franchise Fee, in accordance with clause 6.3; and
           2. use the Franchisee’s best endeavours to locate and have developed and approved by the Franchisor, suitable Premises (which satisfies the Premises Criteria set out in item 12 of the Key Items) within six (6) Months of the Commencement Date and within the Territory.
        2. Should no suitable Premises be located and approved by the Franchisor pursuant to clause 9.2(a) within six (6) Months from the Commencement Date, the Franchisor may, at its absolute discretion:
           1. terminate this Agreement; or
           2. agree to extend the period within which the Franchisee may be permitted to locate a suitable site, in which case that additional period will be issued in writing by the Franchisor to the Franchisee.
        3. In the event of termination pursuant to clause 9.2(b)(i), the Franchise Fee paid by the Franchisee in accordance with clause 6.3 will be refunded less the Franchisor’s Retainable Reasonable Expenses relating to this Agreement, including training, assistance with site selection and all other administrative Costs.
        4. In researching and assessing the suitability of the Premises for the conduct of the Franchised Business, the Franchisee acknowledges that:
           1. the Franchisee has made all necessary enquiries and has conducted its own due diligence in relation to the Premises;
           2. the Franchisee has absolutely and unconditionally satisfied itself, as a result of these enquiries and its due diligence, as to the suitability and location of the Premises for the conduct of the Franchised Business; and
           3. the Franchisee acknowledges that the Franchisor’s approval of any prospective site does not constitute a representation, promise, warranty or guarantee by the Franchisor that the Franchised Business operated from the Premises will be profitable or otherwise successful. The Franchisor may withhold approval of a site for any bona fide reason that the Franchisor, in the exercise of its reasonable business judgment, deems necessary.
        5. If the Franchisor locates suitable Premises which satisfy the Premises Criteria, then the Franchisor will notify the Franchisee and provide details of the proposed Premises and the Franchisee must pay the Franchisor the Project Management Fee on the seventh (7th) day following the notification unless, during that time, the Franchisee provides to the Franchisor in writing:
           1. a notice rejecting the proposed Premises; and
           2. reasons why the Franchisee rejects the proposed Premises.
        6. The Franchisee may only reject the proposed Premises in accordance with clause 9.2(e) if the Franchisee provides the Franchisor with reasonable reasons as to the proposed site’s lack of suitability for the Franchised Business or if the proposed site does not satisfy the Premises Criteria.
        7. If the Franchisee locates a site which satisfies the Premises Criteria, then the Franchisee must notify the Franchisor and provide details of the proposed Premises to the Franchisor. Concurrently with the notification, the Franchisee must pay the Franchisor the Site Selection Fee (if applicable). The Franchisor may within seven (7) days following receipt of the notification provide the Franchisee in writing:
           1. a notice rejecting the proposed Premises; and
           2. reasons why the Franchisor rejects the proposed Premises.
        8. The Franchisor may reject the proposed Premises in accordance with clause 9.2(g) if the proposed site does not satisfy the Premises Criteria. If the Franchisor rejects the proposed site in accordance with clause 9.2(g) then the Franchisor will refund to the Franchisee the Site Selection Fee within fourteen (14) days of the rejection.
        9. If the Franchisee rejects the proposed Premises in accordance with clauses 9.2(e) and 9.2(f), or if the Franchisor rejects the proposed Premises in accordance with clause 9.2(g), and the Franchisee and the Franchisor cannot agree on the proposed Premises within six (6) months of the Commencement Date, this Agreement shall automatically terminate, unless both the Franchisor and the Franchisee agree to extend the period within which the Franchisee may be permitted to locate a suitable site, in which case that additional period will be issued by the Franchisor in writing to the Franchisee.
        10. In the event of termination pursuant to clause 9.2(i), the Franchise Fee paid by the Franchisee in accordance with clause 6.3 will be refunded less the Franchisor’s Retainable Reasonable Expenses relating to this Agreement, including training, assistance with site selection and all other administrative Costs.
   3. Use of Premises
      * 1. The Franchisee acknowledges and agrees to:
           1. only conduct the Franchised Business from the Premises;
           2. maintain, at all times, the Premises in a professional manner which is consistent with the Franchisor’s standards; and
           3. comply with the terms of the Lease, whether the Franchisee holds the Lease directly or has entered into a Licence Agreement with the Franchisor or the Franchisor’s Associate.
        2. The Franchisee acknowledges and agrees that:
           1. the Franchisor or the Franchisor’s Associate may not have conducted any formal due diligence in relation to the Premises except as to ensure it satisfies the Premises Criteria;
           2. the Franchisor or the Franchisor’s Associate have made no representations or statements or promises to the Franchisee about the suitability of the Premises except that it satisfies the Premises Criteria;
           3. the Franchisor or the Franchisor’s Associate have made no representations or statements or promises to the Franchisee about the likelihood of the Franchised Business being successfully conducted from the Premises;
           4. the Franchisee accepts that it is solely the Franchisee’s responsibility to conduct its own due diligence in respect of the Premises before the Franchisee enters into the Lease or Licence Agreement;
           5. the Franchisor’s approval of the Lease and any request for amendments to it is limited to the protection of the Franchisor’s or its Associates’ own interests only;
           6. the Franchisor or the Franchisor’s Associate have made no representations to the Franchisee in relation to whether or not the Franchisee should enter into the Lease in the form provided by the Landlord or otherwise occupy the Premises in any other manner, nor what, if any, amendments the Franchisee should negotiate to protect the Franchisee’s own interests. The Franchisee should obtain its own legal advice in respect of the Lease and/or Licence Agreement and any negotiations in relation to same; and
           7. the Franchisee has received, read and understood a copy of one of the following documents in respect of the Premises:

the Lease;

the Licence Agreement or any other agreement conferring a right to use and occupy the Premises; and/or

a document containing written details of the conditions of occupation of the Premises

* + - 1. The Franchisor may from time to time, receive financial or other incentives from a Landlord. The Franchisee acknowledges and agrees that the Franchisor may retain the benefit of any such financial or other incentive whether or not they arose as a consequence of the Franchisee’s Lease or licence of the Premises.
  1. Occupation of the Premises
     + 1. The Franchisor may, in its absolute discretion:
          1. directly enter into a Lease for the Premises;
          2. procure the Franchisor’s Associate to enter into a Lease for the Premises;
          3. directly or through the Franchisor’s Associate own the freehold for the Premises;
          4. require the Franchisee to directly enter into a Lease for the Premises; or
          5. require the Franchisee to enter into a Licence Agreement for the Premises either with the Franchisor or with the Franchisor’s Associate.
       2. Where the Franchisor or the Franchisor’s Associate have directly entered into a Lease for the Premises, the Franchisee must enter into a Licence Agreement with the Franchisor or its Associates (subject to the Lease permitting the granting of such a licence and the Landlord consenting to the granting of such a licence) on the following terms:
          1. the expiry date for the Licence Agreement will be the earlier of:

the date the Lease is terminated for any reason whatsoever;

the date the Franchisor or the Franchisor’s Associate lose tenancy rights in respect of the Premises for any reason whatsoever;

the date this Agreement and/or any Related Agreement comes to an end for any reason whatsoever; or

the Expiry Date;

* + - * 1. the Franchisee agrees to perform all of the Franchisor’s or the Franchisor’s Associates’ obligations in the Lease as if the Franchisee were the lessee of the Lease;
        2. the Franchisee agrees to pay the Franchisor or its Associates on demand, and in addition to any other fee set out in this Agreement:

the Landlord’s Costs in connection with the Lease;

the Landlord’s Costs in connection with the granting of consent to the Licence Agreement (including Costs associated with obtaining any mortgagee’s consent); and

any stamp duty, registration fees or other fees in connection with the Lease or Licence Agreement;

* + - * 1. the Franchisee will arrange payment under the Lease of any rental, licence fees, security deposits or bank guarantees and other amounts payable in respect of the Premises, in which the Franchisor or its Associates hold the head licence, or act as Guarantor. The Franchisee will pay all such funds to the Franchisor, or such entity as nominated by the Franchisor, on a Monthly basis, in advance, or in accordance with the requirements under the Lease;
        2. where the Franchisee enters into this Agreement as a corporation (or as a corporate Trustee), the Franchisee agrees to provide a guarantee from the Guarantors to perform the Franchisee’s obligations under the Licence Agreement; and
        3. the Licence Agreement will take the form and include any other terms as the Franchisor or the Franchisor’s Associate require.
      1. The Franchisee acknowledges and agrees to comply with any conditions imposed by the Landlord in respect of the granting of the consent to the Licence Agreement including payment of any security deposits, bonds or bank guarantees as required under the Lease.
      2. Where the Franchisor directs the Franchisee to enter into the Lease directly, the following terms will apply:
         1. the Franchisee must appoint the Franchisor as the Franchisee’s attorney to negotiate the terms and conditions of the Lease, including the commercial terms of the Lease;
         2. the Franchisee will at its own Cost, observe and perform all its obligations under the Lease including payment of any security deposits, bonds or bank guarantees as required under the Lease;
         3. any breach of the Lease by the Franchisee will constitute a breach of this Agreement pursuant to clause 43;
         4. the Franchisee will not, without the Franchisor’s review and written approval:

enter into the Lease (unless the Franchisee has already done so prior to entering into this Agreement);

assign the Lease;

surrender the Lease;

grant any rights of possession pursuant to the Lease;

vary the Lease; or

otherwise deal with the Lease.

* + - * 1. if the term of the Lease expires before the end of the Term and there is an option for renewal contained in the Lease, the Franchisee must (unless the Franchisor instructs the Franchisee otherwise in writing) exercise the option for renewal in accordance with the terms of the Lease and provide the Franchisor with written confirmation of such exercise;
        2. if the term of the Lease expires before the end of the Term and there is no option for renewal contained in the Lease, the Franchisee must (unless the Franchisor instructs the Franchisee otherwise in writing) use its best endeavours to procure an extension or renewal of the Lease until the end of the Term;
        3. the Franchisee must ensure that the Lease contains the following terms:

a term permitting the Franchisor, without penalty, and if the Franchisor so requires, to enter the Premises and to remove all items that in any way associates the Premises with the Franchisor and the Franchise Network;

a term permitting the Franchisor, without penalty, and if the Franchisor so requires, to have unencumbered access to enter the Premises and/or to install or renovate any and all applicable Fit Outs throughout the duration of the Term;

a term under which the Landlord will consent to an assignment of the Lease to the Franchisor or its nominee upon the expiry or termination of this Agreement;

a term under which the Landlord will provide reasonable notice to the Franchisor of any breach of the Lease by the Franchisee and/or contemplated termination of the Lease; and

a term allowing the Franchisor to rectify breaches of the Lease by the Franchisee if the Franchisor so elects.

* + - 1. The Franchisee must, if required by the Franchisor, enter into, and procure that the Landlord enter into a tripartite deed on terms reasonably required by the Franchisor and/or the Landlord. The Franchisee shall pay or reimburse the Franchisor’s and the Landlord’s Costs in connection with the tripartite deed and any stamp duty, registration fees or other fees payable in connection with the tripartite deed.
  1. Relocation of Premises
     + 1. If, during the Term, the Lease expires (whether held directly by the Franchisee or by a Licence Agreement in accordance with clause 9), and either the Franchisee, the Franchisor or the Franchisor’s Associate is unable to obtain a further Lease, then the Franchisee may relocate the Franchised Business to another Premises if all of the following pre-conditions are met:
          1. the Franchisee pays the Franchisor the Site Selection Fee and Project Management Fee;
          2. the new proposed Premises satisfy any new Premises Criteria agreed between the Franchisee and the Franchisor;
          3. the new proposed Premises are located within the Local Marketing Area or as otherwise agreed between the Franchisee and the Franchisor;
          4. the Franchisee agrees to pay all Costs associated with the relocation including (but not limited to) any make good conditions on the existing Lease and Fit Out for the proposed new Premises;
          5. the Franchisee is not in breach of the existing Lease or the Licence Agreement and has secured a release for the Franchisor or the Franchisor’s Associate from the existing Landlord from all of the Franchisee’s obligations actual or contingent to the existing Landlord;
          6. the Franchisor has accepted the new proposed Premises; and
          7. the Franchisee, as directed by the Franchisor, either:

enters into a Licence Agreement with the Franchisor or the Franchisor’s Associate for the new proposed Premises in accordance with clauses 9.4(b) and 9.4(c); or

enters into a Lease directly for the new proposed Premises in accordance with clause 9.4(d).

* + - 1. If the conditions set out in clause 9.5(a) in relation to the proposed new Premises are not met within six (6) Months of the expiry of the existing Lease, the Franchisor may terminate this Agreement.
  1. Fit Out and Floorplan
     + 1. The Premises must be fit out in accordance with all the Franchisor’s reasonable directions, as contained in the Manuals or as otherwise specified by the Franchisor including in relation to:
          1. the Fit Out;
          2. the Floorplan;
          3. the positioning of any Equipment; and
          4. the positioning and display of promotional material including any equipment that delivers promotional material electronically.
       2. Where a Premises has not been Fit Out or the fit out does not comply with the Franchisor’s then current Image, then as reasonably determined by the Franchisor, the Premises:
          1. will be Fit Out by the Franchisor or its nominees on the Franchisee’s behalf at the Franchisee’s cost; or
          2. with the Franchisor’s direction and supervision, be Fit Out by the Franchisee at the Franchisee’s Cost.
       3. Where the Franchisor has directed the Franchisee to Fit Out the Premises, the Franchisee may not engage a third party to conduct the Fit Out unless:
          1. the Franchisee has submitted a copy of the proposed agreement for the Fit Out for the Franchisor’s approval, and has made any such amendments to the proposed agreement as the Franchisor may require;
          2. the Franchisor is reasonably satisfied the third party has the skills and ability to conduct the Fit Out to the standard required by the Franchisor, the Manuals and the Image;
          3. the third party agrees to Fit Out the Premises using only the fixtures, fittings, materials and Equipment, which the Franchisor has provided or approved;
          4. the Franchisee has secured a guarantee and indemnity from the third party for the performance of their work which is satisfactory to the Franchisor; and
          5. any insurance as required by the Franchisor is in place before the Fit Out commences.
       4. Where the Franchisor has directed the Franchisee to Fit Out the Premises, the Fit Out must be completed at least three (3) Business Days before the Commencement Date and the later of either:
          1. within thirty (30) days following the Contract Date; or
          2. within thirty (30) days following the commencement of the Lease.
       5. Where the Franchisor conducts the Fit Out of the Premises, then the Franchisor will provide the Franchisee a copy of the Fit Out Estimate. Before the Fit Out is commenced, the Franchisee must pay to the Franchisor, to a third party as directed by the Franchisor, or to another party as determined by the Franchisor, the Fit Out Estimate.
       6. The Franchisee acknowledges and agrees that the cost of the Fit Out as set out in the Fit Out Estimate is only an estimate. The Franchisor will use all reasonable endeavours to ensure that the initial Fit Out does not exceed the amount set out in the Fit Out Estimate. The Franchisee acknowledges and agrees, however, that as an estimate, there may be changes that are required during the initial Fit Out and that if the Franchisor changes the scope of the Fit Out or requires any change to the Fit Out, the Franchisee must bear the full Costs of these changes. The Franchisor will use its reasonable endeavours to advise the Franchisee of any additional Costs the Franchisee will need to pay in respect of the Fit Out as soon as the Franchisor becomes aware of them.
       7. Before the Fit Out is completed, the Franchisee must provide to the Franchisor a copy of the Franchisee’s proposed Floorplan. The Floorplan must be approved by the Franchisor prior to implementing the Floorplan. The Franchisor may, upon provision by the Franchisee of the proposed Floorplan, instruct the Franchisee to alter or vary the proposed Floorplan before the Fit Out is installed.
       8. From time to time, the Franchisor may direct the Franchisee to conduct additional Fit Out or refurbishment to the Premises and/or to update the Floorplan to conform with the Franchisor’s then current Image.
       9. The Franchisee acknowledges and agrees that the Franchisee is required to conduct additional Fit Out or refurbishment to the Premises or to update the Floorplan prior to the Expiry Date.
       10. If the Franchisor directs the Franchisee to conduct additional Fit Out or refurbishment to the Premises in accordance with clauses 9.6(h) or 9.6(i), the Franchisee acknowledges and agrees that:
           1. the Franchisee will pay the Franchisor the Project Management Fee prior to the commencement of the additional Fit Out (unless the additional Fit Out is for the purposes of general maintenance or minor upgrades);
           2. the Franchisee will complete any additional Fit Out or refurbishment within three (3) Months of the Franchisor’s request under clauses 9.6(h) or 9.6(i); and
           3. any Costs associated with the additional Fit Out or refurbishment (including any Costs for engaging third parties, and purchasing fixtures, fittings, materials and Equipment) will be borne by the Franchisee.
       11. If, in accordance with clause 9.6(h), the Franchisor directs the Franchisee to update the Floorplan, the Franchisee acknowledges and agrees that:
           1. the Franchisee will implement the update to the Floorplan within 2 Weeks of the Franchisor’s request under clause 9.6(h); and
       12. any Costs associated with updating the Floorplan (including any Costs associated with engaging third parties, purchasing furnishing, storage, promotional items and any other Equipment) will be borne by the Franchisee.

1. equipment
   1. The Franchisee agrees and acknowledges that for each Approved Service selected in Item 15, it must:
      * 1. prior to the Commencement Date, obtain (i.e. purchase, lease or otherwise acquire), at the Franchisee’s Costs, the Equipment from an Approved Supplier or otherwise as specified in writing by the Franchisor and the Franchisee must install or have installed the Equipment in order for the Franchisee to commence operating the Franchised Business. The Equipment required to commence operating the Franchised Business is set out in Annexure D of this Agreement;
        2. purchase, lease or otherwise acquire, at the Franchisee’s Costs, any;
        3. purchase, lease or otherwise acquire, at the Franchisee’s Costs, any additional Equipment included in the Manuals from time to time within fourteen (14) days of receiving written notice that the additional Equipment has been included in the Manuals;
        4. cease using and dispose of, at the Franchisee’s Cost, any Equipment removed from the Manuals from time to time within fourteen (14) days of receiving written notice that the Equipment has been removed from the Manuals;
        5. obtain the Franchisor’s written consent for the use of any Equipment that the Franchisee may wish to use in connection with the Franchised Business that is not in the Manuals;
        6. obtain the Franchisor’s written consent if the Franchisee wishes to use a supplier of the Equipment that is not an Approved Supplier;
        7. pay the Franchisor for any of the Equipment supplied by the Franchisor;
        8. train, at the Franchisee’s cost, all Personnel on the procedures and policies contained in the Manuals for the use and operation of the Equipment;
        9. pay any ongoing subscription, licence, usage, service and support Costs associated with the Equipment; and
        10. ensure, at the Franchisee’s cost, that the Franchisee or the Franchisee’s Personnel, using or operating the relevant Equipment hold and continue to hold the required licenses and registrations associated with the use and operation of the Equipment.
   2. The Franchisee agrees that each item of Equipment must:
      * 1. be new, unless the Franchisor’s consent is provided in writing;
        2. be maintained, in good working order and condition, and otherwise to a standard sufficient to enable its safe, efficient and effective use;
        3. make any claims of warranty against the respective manufacturers of the Equipment;
        4. be used or operated by Personnel who are adequately trained;
        5. be changed, replaced, refurbished, repaired or upgraded should it be prudent to do so or upon the Franchisor’s request and according to the specifications and functionality set out in the Manuals, or as otherwise required by the Franchisor from time to time;
        6. be maintained and serviced in accordance with the Manuals;
        7. be secured against access by all persons or entities not authorised to access it;
        8. be made accessible, on a reasonable basis, to the Franchisor upon the Franchisor’s request and to the extent that the Franchisor reasonably requires; and
        9. be approved by the Franchisor.
   3. If the Franchisee Transfers the Franchised Business, or if this Agreement is terminated or comes to an end for any reason, the Franchisee must ensure that all of the Equipment used by the Franchised Business is available to be dealt with in accordance with this Agreement.
2. Inventory 
   1. The Franchisor may have minimum stock levels, values and standards that are required of each Approved Service and every Franchisee. These stock levels, values and standards are outlined in the Manuals for each Approved Service and may be changed from time to time by the Franchisor.
   2. The Franchisee must at all times carry and maintain minimum stock of Approved Products:
      * 1. sufficient to provide the Approved Services; and
        2. in accordance with the Manuals or as otherwise directed by the Franchisor from time to time.
3. vehicle
   1. At all times during the Term, the Franchisee must have the use of a motor vehicle (**Vehicle)** that meets the Vehicle Specifications as outlined in the Manuals and this clause 12 (**Vehicle Specifications**).
   2. If the Franchisee does not have a Vehicle, and unless otherwise agreed in writing between the Parties, the Franchisee will:
      * 1. purchase or lease at least one (1) Vehicle;
        2. arrange for the Vehicle’s fit out to be completed prior to the Commencement Date; and
        3. take out and maintain Comprehensive Insurance for the Vehicle.
   3. For the avoidance of doubt in this clause 12, the Franchisee must pay for:
      * 1. the purchase or lease of the Vehicle;
        2. the Vehicle Fit Out; and
        3. Comprehensive Insurance.
   4. The Franchisor may engage a third party to provide the Vehicle Fit Out.
   5. The Franchisee must, at all times, ensure that all Vehicles used in the Franchised Business:
      * 1. are clean, in proper undamaged condition and full working order;
        2. are properly secured and protected when left unattended and in accordance with any of the Franchisor’s safety or other reasonable requirements in this respect (including any requirements in order to maintain the Franchisor’s professional standards); and
        3. have a clear indication on the Vehicle that the Franchisee is an independent business proprietor.
   6. The Franchisee must upgrade or repair the Vehicle within a reasonable time frame if:
      * 1. the Vehicle, its Fit Out or livery is damaged; or
        2. the Franchisor requires the upgrade or repair of the Vehicle (except within the last 12 months before the Expiry Date, unless the Franchisee is seeking a renewal).
   7. The Franchisee must not make any cosmetic alterations to the Vehicles without the Franchisor’s prior written consent.
   8. If, at any time, the Franchisee does not have the use of, or cannot use the Vehicle, whether, for example, as a result of the Vehicle no longer meets the Vehicle Specifications or if the Franchisee’s driver licence is suspended, the Franchisee must:
      * 1. immediately notify the Franchisor;
        2. provide all details as requested by the Franchisor of any Customers currently being provided the Approved Products or Approved Services;
        3. notify Customers of any potential delay to the provision of the Approved Products or Approved Services and at the Franchisee’s Costs, pay to the Customer any Claims, Damages and Costs that arise as a result of the delay; and
        4. as soon as possible, obtain the use of a of a vehicle, whether by purchasing a new vehicle or leasing a vehicle, that meets the Vehicle Specifications.
   9. The Franchisor may, at its discretion, direct another Franchise, its Associate or directly, provide the Approved Products or Approved Services to any Customer that cannot be serviced as a result of the Franchisee not have the use of, or being unable to use the Vehicle. The Franchisee agrees:
      * 1. that all further payments for the provision of the Approved Products or Approved Services to such a Customer will be made to the party providing the Approved Products or Approved Services;
        2. the Franchisee will not make any Claim for any payments from the Customer except for the Provision of any Approved Products or Approved Services already provided by the Franchisee prior to the Franchise no longer having the use of or being able to use the Vehicle.
   10. The Franchisee agrees that if it is unable to operate the Franchised Business as a result of not having the use of, or cannot use the Vehicle, that its obligations under this Agreement do not cease nor are they suspended and must continue performing its obligations including the payment of any fees. If, after two (2) Months, the Franchisee still does not have the use of, or cannot use a vehicle that meets the Vehicle Specifications, then the Franchisee will be in breach of this Agreement.
   11. The Franchisor has the right to inspect the Vehicle at any time to ensure the Vehicle meets the Vehicle Specifications. If, at its discretion, the Franchisor determines that the Vehicle no longer meets the Vehicle Specifications then the Franchisee must cease using the Vehicle.
4. LICENCES
   1. The Franchisee must have the required Licences to operate a A2Z Services Franchise.
   2. If the Franchisee does not have the required Licences to operate the Franchise Business and carry out the Approved Services, the Franchisee is required (at its own cost) to obtain such Licences before the Commencement Date and to maintain these for the Term of the Franchised Business. This may include but is not limited to a government issued pest management licence, National Police Check, and Working With Children Check.
   3. Before the Commencement Date, the Franchisor will advise the Franchisee of any permits, registrations and licences that the Franchisee is required to obtain to operate the Franchised Business and any other permit, registration or licence specified in the Manuals.
   4. The Franchisee must undertake the required training set out in clause 37 and provide the Franchisor with evidence that the Franchisee has obtained all necessary permits, registrations and licences for the operation of the Franchised Business before the Commencement Date.
5. gross income supplement
   1. Subject to clause 14.2, for the first 4 Quarters of the Term, the Franchisor will supplement the Franchisee’s Quarterly Gross Income (**Supplement**) if, at the end of a Quarter, the Franchisee’s Quarterly Gross Income for that Quarter is less than:
      * 1. for the first Quarter, $9,000 (including GST);
        2. for the second Quarter, $18,000 (including GST);
        3. for the third Quarter, $24,000 (including GST); and
        4. for the fourth Quarter, $24,000 (including GST).
      1. (each amount a “**Guarantee**”)
   2. To be eligible to receive the Supplement, the Franchisee must, to the Franchisor’s reasonable satisfaction:
      * 1. make a minimum of 15 Facebook posts to at least one community notice board each month in the Territory;
        2. be an active member of at least one networking group (for example, the Chamber of Commerce, or Business Networking Group Australia);
        3. have at least 4 face to face meetings per month with potential business clients (for example, real estate agents, aged care providers, etc.); and
        4. meet any other conditions for eligibility as set out in the Manuals from time to time to the Franchisor’s reasonable satisfaction.
   3. The Franchisor will Supplement the Franchisee’s Quarterly Gross Income by crediting to the Franchisee an amount equal to 50% of:
      * 1. the Guarantee Income for that applicable Quarter as set out in clause 14.1 above minus;
        2. the Franchisee’s Quarterly Gross Income.
   4. For example:
      * 1. if the Franchisee’s Quarterly Gross Income for the first Quarter is $8,000, the Franchisor will Supplement the Franchisee an amount equal to 50% of $1,000, being $500; or
        2. if the Franchisee’s Quarterly Gross Income for the second Quarter is $17,500, the Franchisor will Supplement the Franchisee an amount equal to 50% of $500. being $250.
   5. The Franchisor may Supplement the Franchisee’s Quarterly Gross Income by offsetting any Supplement amount against any amounts which the Franchisee owes the Franchisor.
   6. If at the end of the first 4 Quarters of the Term, the Franchisee’s total Gross Income for these first 4 Quarters is greater than $75,000 and the Franchisor has credited any Supplement amount to the Franchisee, then the Franchisee must pay back any Supplement amount to the Franchisor.
   7. The Franchisee acknowledges and agrees that:
      * 1. the Supplement is only applicable for the first 4 Quarters of the Term;
        2. the Supplement is not a guarantee of income or revenue and is only intended to act as a supplement to the Franchisee’s Gross Income for the 4 Quarters of the Term;
        3. the Supplement is not a guarantee that the Franchised Business will provide a minimum rate of return on investment or profit;
        4. the Franchisor may cease providing the Supplement at any time;
        5. the percentage amount provided as a Supplement may be changed at any time;
        6. the success of the Franchised Business depends on the Franchisee’s own efforts and the efforts of the Franchisee’s Personnel and the Franchisee acknowledges and agrees to assume full responsibility for the success or failure of the Franchised Business; and
        7. the amount of any profit or return on investment to the Franchisee depends on factors beyond the Franchisor’s control.
6. Opening Promotional Campaign
   1. The Franchisee must implement the Opening Promotional Campaign before the Commencement Date and in accordance with the Franchisor’s instructions.
   2. The Franchisor will assist the Franchisee to develop the Opening Promotional Campaign before the Commencement Date.
   3. The Cost of the Opening Promotional Campaign is included in the Franchise Fee.
7. Local Marketing Expenditure
   1. For each Approved Service, the Franchisee must spend at least the Local Marketing Expenditure to promote the Franchised Business in the Territory each Month in accordance with Item 23 of the Key Items and as set out in the Manuals from time to time.
   2. The Territory is a non-exclusive area. Accordingly:
      * 1. the Franchisor may promote the Franchise Network generally within the Territory and is under no obligation to promote the Franchised Business specifically; and
        2. Territories for other Franchises may overlap with the Territory and may result in their promotional material being distributed and made available within the Territory. The Franchisor is under no obligation to ensure this does not occur.
   3. The Local Marketing Expenditure may only be allocated towards Costs directly associated with any promotional activity such as payments to third parties and physical marketing material (for example pamphlets and local newspaper advertisements). The Franchisee may not allocate any Costs incurred or sacrificed by the Franchisee directly, for example, Personnel wages for handing out pamphlets or associated with the loss of Gross Income of free items in, for example, a “buy one get one free” promotion towards the Local Marketing Expenditure.
   4. Any promotional activities that the Franchisee conducts for the Franchised Business must:
      * 1. be restricted to the Territory;
        2. be in accordance with the Manuals; and
        3. be approved by the Franchisor.
   5. From time to time, the Franchisor may implement a promotion that involves a number of Franchises including the Franchised Business. If the Franchisor does implement such a promotion:
      * 1. the Franchisor will give the Franchisee reasonable notice prior to the commencement of the promotion;
        2. the Franchisee must comply with the Franchisor’s instructions in respect of the promotion; and
        3. the Franchisee must spend at least the Local Marketing Expenditure on the promotion that would have otherwise have been spent on promoting the Franchised Business in accordance with clause 16.1.
   6. For the avoidance of doubt, if the Franchisee is instructed to participate in any promotion the Franchisor implements in accordance with clause 16.5:
      * 1. the Franchisee may only allocate the Costs of participating in the promotion towards the Local Marketing Expenditure in accordance with clause 16.3; and
        2. any Costs allocated in accordance with clause 16.5(c) will contribute towards the amount the Franchisee must spend as the Local Marketing Expenditure.
   7. The Franchisee must provide the Franchisor a report on all promotional activities the Franchisee has conducted in accordance with this clause 16 for the Franchised Business as requested by the Franchisor from time to time.
   8. The Local Marketing Expenditure set out in Item 23 of the Key Items will increase on July 1st immediately following the Contract Date and each anniversary thereafter during the Term, by an amount equal to the greater of
      * 1. 3% per annum; or
        2. the CPI for the respective year,

at the relevant anniversary date.

1. SOCIAL MEDIA ACCOUNTS
   1. The Franchisee acknowledges and agrees that all Social Media Accounts associated with the Franchise Network are owned and created by the Franchisor.
   2. The Franchisor may, from time to time, create Social Media Accounts for the Franchisee to use for the Franchised Business and require the Franchisee to contribute to Social Media Accounts.
   3. The Franchisee acknowledges and agrees that the Franchisor’s may only give access to use and administer the Franchisee’s Social Media Accounts.
   4. The Franchisee must not, and must not allow any Personnel to:
      * 1. create or register a social media account on behalf of the Franchised Business or the Franchise Network; or
        2. remove, deactivate or otherwise alter the account settings for any of the Franchisee’s Social Media Accounts; and
        3. it must not do anything including by posting, likening, sharing or commenting in relation to the Franchisee’s Social Media Accounts that may be offensive, explicit, harmful, discriminatory, defamatory or may bring the Franchise Network into disrepute;
   5. The Franchisee acknowledges and agrees that:
      * 1. only the Franchisor may have access to the Franchisee’s Social Media Accounts;
        2. all activity on the Franchisee’s Social Media Accounts must comply with the Franchisors Manuals and policies for social media; and
        3. The Franchisor may, at its discretion, remove or delete any post, like share or comment or otherwise alter any part of the Franchisee’s Social Media Accounts at any time and without notice.
2. Marketing Fund
   1. The Franchisee acknowledges and agrees to contribute towards the Franchisor’s Marketing fund in accordance with the terms set out in item 24 of the Key Details.
   2. The Franchisor must in relation to the Marketing Fund:
      * 1. deposit all Marketing Fees received from the Franchisee and all similar payments from other Franchises, into the Marketing Fund;
        2. comply with the Franchising Code in respect of any provisions which regulate marketing funds or other cooperative funds; and
        3. may review this Agreement insofar as it applies to the Local Marketing Expenditure.
   3. The Franchisor may use the Marketing Fund at any time for any Costs incurred by the Franchisor in respect of marketing for the Franchise Network including, but not limited to:
      * 1. retaining advertising agents, copy writers, graphic artists, web designers, marketing consultants and other expert advisors;
        2. developing and producing advertising and promotional material in any media including, but not limited to, sound and video recordings, printed material, online positioning and software;
        3. developing and managing the Customer Database;
        4. developing and managing public and Customer relations programs, including any customer reward program, customer loyalty program or gift certificate scheme;
        5. conducting an annual conference for the Franchise Network;
        6. accountancy, legal and other fees in respect of bookkeeping and auditing of the records of the Marketing Fund;
        7. any taxation liabilities or other such Costs incurred by the Franchisor in relation to the Marketing Fund;
        8. conducting research including research in relation to products and Customers;
        9. conducting telemarketing activities;
        10. design and maintenance of the Website and the Franchise Network’s online strategies;
        11. developing and managing Customer messaging systems; and
        12. reasonable overhead and administration Costs related to marketing activities for the Franchise Network.
   4. The Franchisor may, in its absolute discretion, conduct any marketing activity in relation to the Franchised Business and the Franchise Network as the Franchisor considers desirable.
   5. The Franchisor is not obliged to spend the entire proceeds of the Marketing Fund in any one (1) Tax Year and may accumulate a reserve for the purposes of funding future programmes.
   6. The Franchisor may, from time to time, deposit the Franchisor’s own funds into the Marketing Fund account. Such deposits will be treated as loans to the Marketing Fund, repayable on demand.
   7. The Franchisor will prepare audited financial statements for the Marketing Fund at the end of each Tax Year.
   8. The Franchisor will provide the audited financial statements to each Franchisee within thirty (30) days of the audited financial statements being prepared unless exempted from doing so pursuant to clause 15(2) of the Franchising Code.
   9. Where the Franchisor decides to carry out additional advertising and/or sales promotional activities, the Franchisor will be at liberty, provided no less than 75% of Franchisees agree, to levy such additional amounts from the Franchisees as is required to fund such programmes, provided that such amounts are not unreasonable in magnitude or in frequency or are not likely to cause financial hardship. The Franchisee will pay each amount upon receipt of a request in writing from the Franchisor.
   10. If the Franchisor, in its discretion, determines to wind up the Marketing Fund, the amount remaining in the Marketing Fund after the repayment of loans and the payment of all of the Marketing Fund’s Costs will be distributed between all the existing Franchises in the Franchise Network and the Franchisor on a pro rata basis based on each party’s’ contributions in the twelve (12) Months prior to winding up.
   11. After the expiration or termination of the Franchised Business, the Franchisee agrees and acknowledges the Franchisee is not entitled to any refunds of any kind from the Marketing Fund.
   12. The Franchisee acknowledges that:
       * 1. the Marketing Fund is intended to maximise recognition of the Approved Services and the Franchise Network generally, and that promotion may not necessarily take place in the Territory;
         2. the Franchisor is not responsible for the effectiveness or success of any expenditure; and
         3. the Marketing Fund will operate in conjunction with, and not in lieu of, the Franchisee’s own promotional activities undertaken in accordance with this Agreement.
3. Approved services
   1. The Franchisee must only provide the Approved Service or Approved Services as selected in Item 15 and to be managed in accordance with this clause 19.
   2. The Franchisee acknowledges and agrees:
      * 1. it will provide the Approved Services in compliance with any applicable laws and regulations;
        2. it will provide the Approved Services with the prescribed Equipment in compliance with the Manuals; and
        3. to only provide the Approved Services to Customers in compliance with the Manuals.
   3. The Franchisor may from time to time remove or add services from the Approved Services by amending the Manuals. If the Franchisor removes or adds services from the Approved Services, the Franchisor will provide the Franchisee notice of any such removal, addition or amendment.
   4. Any Approved Services removed from the Manuals may no longer be provided to Customers and any additions to the Approved Services must be made available to Customers by the Franchisee.
   5. If the Franchisee would like to provide any service which is not an Approved Service, the Franchisee may only provide the service if:
      * 1. the Franchisee has provided the Franchisor with all relevant information pertaining to the proposed service;
        2. in the Franchisor’s opinion the proposed service meets the Franchisor’s reasonable standards including reputation, quality, and price; and
        3. the Franchisee has met any of the Franchisor’s other conditions in respect of the proposed service including those set out in the Manuals.
   6. If the Franchisee would like to provide any service which is not an Approved Service, the Franchisee may only provide the service if approved in writing by the Franchisor.
   7. An approval that is provided in accordance with clause 19.6 is at the Franchisor’s reasonable discretion and may be withdrawn by providing written notice to the Franchisee.
4. prices
   * 1. The Franchisor will, from time to time, set out recommended retail prices for the Approved Services in the Manuals. The Franchisee acknowledges and agrees that the recommended retail prices which the Franchisor sets out in the Manuals are a guide only and the Franchisee may determine its own retail prices for the Approved Services.
   1. From time to time and as permitted by law, the Franchisor may set specific or maximum prices for the Franchisee’s supply of Approved Services.
   2. The Franchisee acknowledges and agrees that any prices set out by the Franchisor will be based on the Franchisor’s business experience in quoting bespoke work and normally take into account market conditions for the Franchise Network but may not take into account market conditions specific to the Franchised Business.
   3. The Franchisee agrees, as permitted by law, to comply with the price nominations made by the Franchisor and when exercising the Franchisee’s discretion in establishing prices, to have regard to recommendations made by the Franchisor.
5. Leads
   1. The Franchisor and its Associates make the Approved Services available for booking online through the Website or a central number and call centre (**Lead**).
   2. When making an online booking through the Website, the Customer is required to select a particular franchisee who they wish to use to provide the Approved Services.
   3. For any Lead received through the Website or the Central Number, if the Lead is in relation to the Approved Service(s) and if the Lead is located within the Territory:
      * 1. the Franchisor will refer the Lead to the Franchisee;
        2. the Franchisee must to its best endeavours respond to the Franchisor as at the times and form as set out in Item 28; or
        3. if the Franchisee rejects the Lead or does not respond to the Franchisor as at the times and form as set out in Item 28, the Franchisor will, at its discretion:
           1. refer the Lead to another Franchise;
           2. refer the Lead to its Associate; or
           3. respond to the Lead itself.
   4. For any Lead received through the Website or the Central Number, if the Lead is not located within the Territory or the Lead is not in relation to the Approved Services:
      * 1. the Franchisor will refer the Lead to the nearest available Franchise that provides the Approved Service requested by the Lead, whether that is the Franchisee or another Franchise; or
        2. the Franchisor or its Associate will respond to the Lead.
   5. If the Franchisee is unable to service the Lead on the date and time specified by the Lead for any reason in accordance with clause 21.3, the Franchisee must immediately notify the Franchisor and give reason as to why.
   6. The Franchisee acknowledges and agrees that:
      * 1. Leads will only be referred to the Franchisee if the Lead is in relation to the selected Approved Services;
        2. Leads referred to another Franchise, the Franchisor’s Associates or responded to by the Franchisor will not be a breach of this Agreement, notwithstanding the Lead may be located within the Territory;
        3. the Franchisor is under no obligation to refer Leads to the Franchisee in accordance with clause 21.4(a) and that referral of a Lead is at the Franchisor’s absolute discretion; and
        4. that the Franchisor may updates or amends its processes and procedures with respect to Leads from time to time.
6. Approved Suppliers
   1. The Franchisee may only sell, use and purchase stock and supplies from the Approved Suppliers. All tools, materials and equipment used for the Approved Services will be from the Approved Suppliers.
   2. From time to time, the Franchisor may remove or add to the list of Approved Suppliers. Any changes to the list of Approved Suppliers will be provided by way of:
      * 1. an amendment to the Manuals;
        2. an update on our website [here](https://a2zgroup.net/or0037/); or
        3. by written notice from the Franchisor.
   3. The Franchisee acknowledges and agrees that in circumstances where an Approved Supplier is removed from the list, that it will no longer use and purchase from that supplier. The Franchisee acknowledges and agrees that this is reasonably required to maintain the Franchisor’s standards and the standards of the Franchise Network generally.
   4. The Franchisee may use and purchase from a supplier which is not an Approved Supplier only with the Franchisor’s prior written approval.
   5. The Franchisee acknowledges and agrees that it will promptly make any payments which are due to an Approved Supplier in the manner and method as required by the Approved Supplier without any deduction, set off or counter claim.
   6. The Franchisor may from time to time, receive a rebate or other financial incentive from an Approved Supplier. The Franchisee acknowledges and agrees that the Franchisor may retain the benefit of any such rebate or other financial incentive whether or not the financial incentive arose as a consequence of a purchase the Franchisee made from the Approved Supplier.
7. responsible Manager AND PERSONNEL
   1. During the Term, the Franchisee may, at the Franchisor’s absolute discretion and in accordance with this clause 23, appoint a manager of the Franchise (**Responsible Manager**). The Franchisee must ensure that the Responsible Manager devotes their time and effort during Core Business Hours exclusively to the management and control of the Franchised Business.
   2. The Responsible Manager must:
      * 1. be approved by the Franchisor;
        2. complete any required training before they commence work at the Franchised Business;
        3. hold any qualifications or accreditations required to operate the Franchised Business; and
        4. undertake any checks, including but not limited to:
           1. a criminal history check; and
           2. a working with children’s check.
   3. The Responsible Manager must enter into the Competition Restraint and Confidentiality Deed prior to the Commencement Date.
   4. The Franchisee must ensure that the Responsible Manager attends any additional training as required by the Franchisor.
   5. Where the Franchisee would like to replace a Responsible Manager, it must:
      * 1. notify the Franchisor in writing;
        2. provide the Franchisor evidence of any qualifications, accreditations and checks of the proposed replacement Responsible Manager as required by the Franchisor; and
        3. ensure, at the Franchisee’s expense, that the proposed replacement Responsible Manager has completed any required training; and
        4. obtain the Franchisor’s written approval to replace the Responsible Manager.
   6. The Franchisee may engage other Personnel to assist in the operation of the Franchised Business. All Personnel must hold any qualifications or accreditations as well as undertake any checks as outlined in the Manuals and as otherwise required by the Franchisor.
   7. The Franchisee must ensure, at its Cost, that Personnel are sufficiently trained. Such training is the Franchisee’s sole responsibility and the Franchisor is under no obligation to conduct additional training for Personnel.
   8. The Franchisee must ensure any Personnel use the prescribed tools, materials, and equipment in the provision of any Approved Services.
   9. At all times when visiting Customers on site at the Customer’s premises, the Franchisee will ensure any Personnel are wearing the approved uniform in accordance with the Manuals.
   10. The Franchisee must employ or engage Personnel in its capacity as an employer or recipient of contract services from an approved contractor or consultant. Under no circumstances may the Franchisee hold out to Personnel or prospective Personnel that such a person is or will be employed by or engaged by the Franchisor.
   11. The Franchisee is responsible for ensuring that no act or omission of its Personnel will cause the Franchisee to breach its obligations under this Agreement.
8. Minimum performance Criteria AND FAILURE TO ADHERE TO REQUIREMENTS
   1. During the Term, the Franchisee must achieve the Minimum Performance Criteria, consisting of the Initial Performance Criteria and the Ongoing Performance Criteria, as set out in Item 28 of the Key Items and as set out in the Manuals from time to time.
   2. The Franchisor may reasonably adjust the Minimum Performance Criteria from time to time based on the performance of the Franchise Network generally (**Adjusted Minimum Performance Criteria**). The Franchisor will provide the Franchisee with one (1) Month’s written notice of the Adjusted Minimum Performance Criteria prior to the Adjusted Minimum Performance Criteria being applicable to the Franchised Business. If the Franchisee disagrees or has comments on the Adjusted Minimum Performance Criteria, the Franchisor will hold a consultation with the Franchisee to discuss the Adjusted Minimum Performance Criteria and the Franchised Business. If the Franchisee and the Franchisor are unable to reach an agreement as to the Adjusted Minimum Performance Criteria, either party may initiate the dispute resolution procedure as set out in clause 60.
   3. The performance of the Franchised Business will be assessed against the Minimum Performance Criteria every Quarter. The Franchisor may use any information which the Franchisor has obtained from any source including the Franchisee’s Financial Accounts and the Franchisee’s Electronic Equipment and Software when assessing the performance of the Franchised Business. The Franchisor may also require the Franchisee to provide the Franchisor with additional information in relation to the Franchised Business, which the Franchisor may reasonably require when assessing the performance of the Franchised Business.
   4. The Franchisor or its nominees may from time to time attend the Premises in person to assess the performance of the Franchised Business. The Franchisor will give the Franchisee reasonable notice before this occurs and the Franchisee must ensure the Franchisee, the Guarantors and the Responsible Manager are available to the Franchisor or its nominees in person.
   5. If the Franchisee fails to achieve the Minimum Performance Criteria or the Adjusted Minimum Performance Criteria, the Franchisor will notify the Franchisee of this in writing and the Franchisor may require the Franchisee to:
      * 1. attend a meeting with the Franchisor to analyse the operation of the Franchised Business and to give the Franchisor an opportunity to provide the Franchisee advice and/or assistance to improve the performance of the Franchised Business;
        2. attend additional training; and
        3. implement changes to the operation of the Franchised Business.
   6. The Franchisee must bear any and all Costs associated with clause 24.5 including the Franchisor’s Costs to provide the Franchisee advice, assistance, and/ or additional training.
   7. If the Franchisee does not comply with any of the Franchisor’s directions as contemplated in clause 24.5 or if the Franchisee continues to fail to meet the Minimum Performance Criteria or Adjusted Minimum Performance Criteria for three (3) consecutive Months, then the Franchisee will be in breach of this Agreement and clause 43 of this Agreement will apply.
9. standards and Specifications
   1. During the Term, the Franchisee must comply with:
      * 1. the Manuals;
        2. any reasonable direction given by the Franchisor from time to time; and
        3. certain standards, policies or specifications for the Approved Services, Equipment, promotional material, signs, uniforms and any other items used in connection with the Franchised Business. The standards or specifications may relate to the design, appearance, size, layout, reputation, performance, brand, quality or function of all or any of these items. Such standards or specification, where possible, will be set out in the Manuals.
   2. The Franchisee acknowledges and agrees to follow any standards or specifications that the Franchisor sets under clause 25.1. The Franchisee also agrees that it will not in connection with the Franchised Business, use any Equipment, promotional material, signs, uniforms and any other items that do not meet the Franchisor’s standards.
10. Customer INFormation
    1. The Franchisee acknowledges and agrees that it will:
       * 1. collect information from Customers as set out in the Manuals; and
         2. provide the Franchisor with the information which the Franchisee has collected from Customers under clause 26.1(a).
    2. The Franchisee acknowledges and agrees that the information in clause 26.1 will be provided by the Franchisee and/or collected by the Franchisor:
       * 1. on the Franchisor’s request and in the form set out in the Manuals; and/or
         2. as the Franchisor requires at any time and (without request) by automatic electronic methods.
    3. The Franchisee must not:
       * 1. keep its own separate records or database of any information collected from Customers under clause 26.1(a); or
         2. use any information collected from Customers in accordance with clause 26.1(a) for any purpose other than as set out in this Agreement.
    4. In the collection of any Customer information under clause 26.1(a), the Franchisee is responsible for ensuring it is in compliance with Privacy Laws.
    5. Any goodwill in any Customer information which is collected by the Franchisee under clause 26.1(a) will vest with the Franchisor and not the Franchisee.
11. Technology
    1. The Franchisee is required, in connection with the Franchised Business, to:
       * 1. use, maintain, and repair at the Franchisee’s Cost, all Electronic Equipment and Software that the Franchisor prescribes in the Manuals from time to time;
         2. subscribe to and maintain subscriptions associated with any Electronic Equipment and Software; and
         3. comply with the terms of use applicable to the Electronic Equipment and Software.
    2. The Franchisee acknowledges and agrees that at any time and without request, the Franchisee will give the Franchisor access (including by automatic electronic methods) to the Electronic Equipment and Software containing files, document, images or video relating to the operation of the Franchised Business. The Franchisor’s access to the Electronic Equipment and Software will be limited only to information that is reasonably associated with the Franchised Business.
    3. In the event the Franchisee is required to update, subscribe to new software or upgrade an existing subscription, or implement new Electronic Equipment and Software then:
       * 1. the Franchisor will, to its best endeavours, provide the Franchisee with reasonable notice of the update, confirmation of subscription or upgrade of an existing subscription, or the implementation of the Electronic Equipment and Software; and
         2. the Franchisee agrees to, within thirty (30) days of receipt of such notice, to obtain the update, subscribe to the new software or upgrade of an existing subscription, or implement the new Electronic Equipment and Software at the Franchisee’s Cost and provide the Franchisor notice this has occurred.
12. intellectual property
    1. The Franchisee may only use the Intellectual Property in connection with the Franchised Business. The Franchisee agrees and acknowledges that it will use its best endeavours to comply with its obligations in respect of the Intellectual Property.
    2. The Franchisee does not acquire any rights, or interest in, the Intellectual Property.
    3. The Franchisee is required:
       * 1. to use the Intellectual Property only in the manner the Franchisor authorises and in accordance with the Manuals;
         2. to not to alter the Intellectual Property in any way;
         3. to not do anything that may damage or adversely affect the goodwill associated with the Intellectual Property;
         4. to not contest the Franchisor’s rights to the Intellectual Property;
         5. to not be involved in any activity that may prejudicially affect the Intellectual Property;
         6. to not register or attempt to register any part of the Intellectual Property;
         7. to not display the Trade Marks and/or other identifying marks in such a way as to potentially cause confusion;
         8. to not use the Intellectual Property if this Agreement comes to an end for any reason whatsoever; and
         9. to assist the Franchisor in any action the Franchisor may take against any apparent, threatened or actual infringement of, or challenge to, the Franchisor’s right to use the Intellectual Property.
    4. The Franchisee is required to notify the Franchisor promptly if:
       * 1. the Franchisee becomes aware of, or suspects, any person using or threatening to use the Intellectual Property without authority; or
         2. any person claims that any of the Intellectual Property is invalid or infringes the rights of any other person.
    5. By signing this Agreement, the Franchisee acknowledges and agrees that:
       * 1. all rights and interests in the Intellectual Property remain at all times the Franchisor’s property. If any improvements are developed by the Franchisee or on its behalf during the Term to the System or Intellectual Property (**Franchisee’s Improvements**), in respect of which the Franchisee obtains any Intellectual Property rights, the Franchisee will assign all of the Franchisee’s Improvements to the Franchisor or the Franchisor’s nominee as and when the Intellectual Property rights are created, free of all encumbrances;
         2. if the Franchisee’s rights to intellectual property rights in the Franchisee’s Improvements are not capable of assignment to the Franchisor, the Franchisee grants to the Franchisor or the Franchisor’s nominee (as and when the intellectual property rights are created) an exclusive, worldwide, royalty free, fully assignable perpetual licence in respect of the Franchisee’s Improvements, which may only be terminated by the Franchisor, for the Franchisor to use the Franchisee’s Improvements and grant others the right to use the Franchisee’s Improvements; and
         3. the Franchisee will do everything necessary to give effect to clauses 28.5(a) and 28.5(b).
    6. The Franchisor may (in its sole discretion) amend, change, discontinue the use of, add new items to, or substitute any part of the Intellectual Property and the Franchisee acknowledges and agrees at the Franchisee’s own Cost, to promptly comply with any such amendment, change, discontinued use, addition or substitution within fourteen (14) days of the Franchisor providing the Franchisee written notice. The Franchisor and its Associates are not obliged to reimburse the Franchisee for any loss of any goodwill (if any) associated with the amendment, change, discontinued use, addition or substitution to the Intellectual Property.
    7. This clause 28 will survive termination of this Agreement.
13. BUSINESS NAME
    1. Before the Commencement Date, the Franchisee must register the Business Name.
    2. When the Business Name is registered, the Franchisee must provide the Franchisor, prior to the Commencement Date:
       * 1. details of any key or code issued by the relevant body;
         2. authorisation that enables the Franchisor to arrange for the cancellation of the Business Name or the transfer of the Business Name to the Franchisor or its nominee when this Agreement comes to an end for any reason; or
         3. provide the Franchisor with all information, codes, keys (including the ASIC key), passwords and documents required to access the registration of the Business Name or as otherwise requested by the Franchisor.
    3. The Franchisee must operate and trade the Franchised Business under the Business Name only.
    4. The Franchisee must prominently display the certificate of registration of the at the Premises.
    5. The Franchisee must sign and provide to the Franchisor prior to the Commencement Date the ASIC Business Name Authority form as set out in Annexure F of this Agreement.
    6. This clause 29 will survive termination of this Agreement.
14. Customer Complaints and injury
    1. The Franchisee must:
       * 1. comply with the Manuals in responding to and resolving Customer complaints and injuries to Customers;
         2. report all major Customer complaints to the Franchisor within twenty-four (24) hours of receiving the Customer complaint; and
         3. report all injuries to Customers to the Franchisor within twenty-four (24) hours of the injury occurring.
    2. When responding to an injury to a Customer, the Franchisee must ensure that:
       * 1. any first aid is performed with due care and skill;
         2. if necessary, to contact an ambulance; and
         3. contact and report the injury to the Customer’s emergency contact and/or parent or guardian as soon as possible.
    3. The Franchisee must keep accurate and complete records of all correspondences and any other communications including video or image in connection with a Customer complaint or an injury to a Customer including details of:
       * 1. the complaint or the injury;
         2. any Personnel involved;
         3. the Customer’s contact information; and
         4. in the case of a Customer Complaint, proposed resolutions put forward by the Customer or the Franchisee.
    4. The Franchisee must provide copies of all correspondences or any other communications including any video or images in connection with a Customer complaint or an injury to a Customer if requested by the Franchisor.
    5. The Franchisor may, in its absolute discretion, engage with the Customer directly and resolve a Customer’s complaint including by providing a full refund. If, the resolution involves a refund, then the Franchise must reimburse the Franchisor the amount of the refund.
15. manuals
    1. During the Term, the Franchisor will lend the Franchisee a copy of the Manuals either in hard copy or electronically.
    2. The Manuals remain the Franchisor’s property at all times and the Franchisee must not copy or allow the Manuals to be copied by any person.
    3. The Franchisee has no rights or interest in the Manuals other than the right to use them as a reference source for operating the Franchised Business.
    4. The Manuals describe how the Franchisee must do certain things in operating the Franchised Business including the scope and provision of each Approved Service(s) and the Franchisee is required to follow the Manuals at all times where a particular matter is included in them.
    5. The Franchisor may from time to time amend the Manuals. If the Franchisor does amend the Manuals, the Franchisee will be given written notice of the amendment (**Amendment**).
    6. If the Franchisor provides the Franchisee with a written notice under clause 31.5, any such Amendment to the Manuals are mandatory and must be implemented by the Franchisee and at its cost, provided:
       * 1. the Amendment had been disclosed to the Franchisee before the Commencement Date;
         2. the Amendment is required to comply with a legislative obligation; or
    7. the Amendment is in the Franchisor’s reasonable opinion necessary for the operation of the Franchised Business and/or the Franchise Network generally.
    8. If the Franchisee disputes whether the Amendment satisfies clause 31.6, then the Franchisor will enter into good faith negotiations with the Franchisee to reach an agreement on the Amendment that is accepted by both the Franchisee and the Franchisor.
    9. If after fourteen (14) days no agreement is reached in accordance with clause 31.8, the Franchisor will have the option to terminate this Agreement by providing the Franchisee with thirty (30) days’ written notice.
    10. In the event of inconsistency or conflict between the provisions of this Agreement and the Manuals, the provisions of this Agreement prevail to the extent of the inconsistency or conflict.
16. confidential information and Privacy
    1. The Franchisee is required to keep the Confidential Information confidential and secure at all times.
    2. The Franchisee must:
       * 1. include, within any employment agreement that the Franchisee intends to use for the purpose of employing Personnel for the Franchised Business, a clause requiring the staff member to keep Confidential Information confidential and secure at all times; and
         2. use all reasonable endeavours to ensure all Personnel adhere to their obligations to keep Confidential Information confidential and secure at all times.
    3. The Franchisee may use the Confidential Information only for the purpose of operating the Franchised Business.
    4. Once the Franchised Business ends the Franchisee must cease using the Confidential Information immediately.
    5. During the Franchised Business and after it ends the Franchisee must not disclose the Confidential Information to any person without the Franchisor’s prior written consent.
    6. During the Franchised Business and after it ends the Franchisor will not disclose any information that is considered confidential to the Franchisee or any person associated with the Franchised Business without the Franchisee’s prior written consent.
    7. The Franchisor will use its best endeavours to ensure that any exercise of the Franchisor’s rights under this Agreement is done in a manner that will not infringe any Privacy Laws.
    8. The Franchisee is also required to use its best endeavours to ensure that any exercise of its rights under this Agreement is done in a manner that will not infringe any Privacy Laws.
    9. The Franchisee must cooperate with any reasonable demand, investigation or enquiries made by the Franchisor for the purpose of the Franchisor’s obligations in complying with any Privacy Laws.
    10. The Franchisor may collect information (**Information**) for the purposes of controlling, administrating and promoting the Franchise Network. Information that the Franchisor collects may be disclosed to:
        * 1. current and prospective franchisees in the Franchise Network;
          2. persons engaged by the Franchisor to assist in the recruitment of franchisees to the Franchise Network;
          3. persons who provide administrative or other services to the Franchisor, including the Franchisor’s professional advisers;
          4. current and prospective financiers and lenders; and
          5. on a confidential basis, parties proposing to acquire an interest in the Franchisor or its Associates.
    11. The Franchisee consents to the use and disclosure of the Information in the manner described in clause 32.10 and acknowledges that its consent extends to any Information that is “personal information” for the purposes of the Privacy Laws.
    12. To the extent that the Franchisee is entitled pursuant to the Privacy Laws, the Franchisee may request access to Information held by the Franchisor about the Franchisee by making a written request to the Franchisor.
    13. This clause 32 will survive termination of this Agreement.
17. compliance with laws
    1. The Franchisee must, at its own expense, comply with all laws, ordinances, statutes, industry codes, by-laws, including the Privacy Laws, the *Competition and Consumer Act 2010* (Cth), the Franchising Code and the occupational and workplace health and safety legislation and regulations applicable to the operation of the Franchise, including obtaining and maintaining all necessary accreditations, permits, licenses and approvals required to operate the Franchised Business.
    2. Additionally, the Franchisee must notify the Franchisor if the Franchisee, or any of its Personnel or any other person acting on its behalf:
       * 1. is in breach of any applicable law or receives any notice, warning or indication that they or any of their employees are in breach of any applicable laws; or
         2. [receives any road or parking infringements from any State or Territory, whether they impact the day to day running of the Franchised Business or not].
    3. The Franchisee must:
       * 1. pay all Costs associated with the Franchisee’s Personnel including:
            1. workers’ compensation insurance premiums;
            2. sick, annual and long service leave entitlements;
            3. fringe benefits tax superannuation and other statutory charges; and
            4. all other Costs payable under any applicable laws.
         2. deduct and remit PAYG or other income tax instalment deductions;
         3. remit payroll tax in respect of any statutory liability to make payroll tax payments in relation to the conduct of the Franchise; and
         4. maintain registrations and certificates under the applicable occupation or workplace health and safety and workers’ compensation laws, in respect of the Franchisee’s Personnel, employees, agents and contractors, and will ensure the Franchisee’s Personnel comply with all relevant workplace health and safety laws as applicable to the Franchised Business.
    4. The Franchisee agrees at all times to comply with:
       * 1. the National Employment Standards as set out in Divisions 3 to 12 of the *Fair Work Act 2009* (Cth) as amended from time to time; and
         2. each Modern Award relevant to each of its Personnel.
    5. The Franchisee will provide the Franchisor proof of compliance with this clause 33 as reasonably requested by the Franchisor.
    6. The Franchisee acknowledges that its Personnel are the Franchisee’s own responsibility and that the Franchisor can in no way be held liable in relation to any matter relating to the Franchisee’s Personnel (including, but not limited to, those specified in this clause 33). The Franchisee fully indemnifies the Franchisor from any claim, cost, fine, penalty or other charge imposed on the Franchisor which arises as a result of any matter relating to any Personnel of the Franchisee or the Franchisee’s failure to comply with any of any of the requirements specified in this clause 33.
    7. Employee and Personnel Costs are not recoverable by the Franchisee.
    8. None of the Costs, payments or remittances referred to in this clause 33 are recoverable by the Franchisee from the Franchisor.
18. Financial Records, reporting and inspection rights
    1. The Franchisee must keep proper records in connection with the Franchised Business which:
       * 1. accurately record each transaction undertaken by the Franchisee;
         2. comply with the Accounting Standards; and
         3. reflect the true financial position of the Franchised Business.
    2. The Franchisee must adhere to the accounting procedures outlined in the Manuals.
    3. All sales of Approved Services must be recorded via the Electronic Equipment and Software/and the total number of sales calculated.
    4. The Franchisee must provide the Franchisor with copies of the Financial Accounts and any other financial information as required by the Franchisor every Quarter or as otherwise requested.
    5. The Franchisor may from time to time require the Franchisee to provide the Franchisor with information on the Franchised Business generally.
    6. The Franchisor is entitled to inspect the Franchisee’s accounting and/or bookkeeping records and Financial Accounts and take a copy of them.
    7. From time to time the Franchisor may appoint an auditor to carry out an audit of the Franchisee’s accounting records.
    8. If an audit of the Franchisee’s accounting records reveals that the Franchisee has understated its Gross Income for any period and if the Franchisee fails to provide a reasonable explanation, the Franchisee is obliged to pay the Franchisor the difference in the Royalty Fee or any other fee that the Franchisee should have paid the Franchisor for that period as if the correct amount of Gross Income had been declared.
    9. If an audit of the Franchisee’s accounting records reveals that the Franchisee has understated its Gross Income by more than 5%, the Franchisee is obliged to pay the Costs of the audit in addition to complying with the Franchisee’s obligations under clause 34.8.
    10. Within three (3) Months following the end of a Tax Year, the Franchisee must provide the Franchisor with a copy of the Franchisee’s Financial Accounts for that Tax Year certified by a qualified accountant as a true copy. The qualified accountant may either be:
        * 1. one elected by the Franchisor and with which the Franchisor has organised a group scheme; or
          2. one which the Franchisee has engaged for the provision of accounting services.
    11. The Franchisor and its duly authorised representatives have the right to inspect and audit the Franchisee and the Franchised Business to ensure compliance with the Franchisee’s obligations under this Agreement, including by:
        * 1. speaking with Customers;
          2. inspecting the Franchisee’s Premises;
          3. conducting a stock take of the Equipment and other items on the Premises and other items held in any other storage facility; or
          4. accessing the Franchisee’s Electronic Equipment and Software.
    12. The Franchisee must co-operate fully with the Franchisor and the Franchisor’s authorised representatives and comply with any reasonable requests made by the Franchisor or the Franchisor’s representatives during such inspections or audits.
19. Statement of Solvency
    1. The Franchisee must:
       * 1. within 72 hours of a written demand from the Franchisor, provide the Franchisor with a Statement of Solvency signed by:
         2. at least one (1) director of the Franchisee (if the Franchisee is a company);
         3. the individual (if the Franchisee is an individual);
         4. the Trustee or a director of the Trustee (if the Franchisee is a Trust); or
         5. at least one (1) of the partners (if the Franchisee is a partnership); and
         6. within seven (7) days of a demand by the Franchisor, provide the Franchisor with supporting financial statements in the form specified by the Franchisor to support the Statement of Solvency.
    2. For the avoidance of doubt, if:
       * 1. the Franchisee fails to provide the Statement of Solvency within the time specified in, and in accordance with, clause 35.1; or
         2. the financial statements in the form specified by the Franchisor to support the Statement of Solvency fails to establish that the Franchisee is solvent;
         3. then the failure constitutes a breach of this Agreement.
20. insurance
    1. During the Term of this Agreement, the Franchisee must hold and maintain insurance covering the following risks:
       * 1. loss of Equipment and stock for the full insurable value whether by;
            1. damage or destruction caused by accident, fire, flood, lightning, storm, tempest, explosion, riots and civil commotion, strikes, malicious damage, earthquake, impact by vehicles, impact by aircraft and internal flood water; and
            2. any other insurable risk commonly insured against for items of a similar nature to the Equipment and stock used by the Franchised Business.
         2. financial loss due to business interruption equal to Monthly Gross Income averaged over the last six (6) months;
         3. public liability in the Franchisee’s name and the Franchisor’s name for no less than twenty (20) million dollars for each Claim, with extensions for death, illness, bodily injury and damaged property where such liability arises as a result of the law relating to occupier’s liability in respect to the Premises;
         4. public liability relating to the Equipment and stock for no less than ten (10) thousand dollars for each Claim;
         5. professional indemnity insurance for no less than $500,000 for each claim for Approved Pest Control Services;
         6. worker’s compensation and employer’s liability of at least five (5) million dollars in respect of any Claim;
         7. general property and tools of trade insurance that covers loss, theft or damage of your tools and equipment;
         8. industrial special risks covering fire and extraneous peril with extensions for liability as a tenant, burglary and theft;
         9. product liability in the Franchisee’s name and the Franchisor’s name for not less than twenty (20) million dollars for each Claim;
         10. financial loss due to business interruption equal to Monthly Gross Income averaged over the last six (6) months;
         11. death or disability;
         12. public liability for no less than twenty (20) million dollars for each Claim;
         13. worker’s compensation and employer’s liability for no less than (5) million dollars for each Claim; and
         14. any other additional insurance which the Franchisor may specify from time to time.
    2. The Franchisee must:
       * 1. ensure each insurance policy contains an endorsement that it will not be cancelled without the insurer giving the Franchisor at least fourteen (14) days’ notice; and
         2. if directed by the Franchisor, include the Franchisor as a covered party in any insurance policy;
         3. provide to the Franchisor copies of a current certificate of currency for each insurance policy within three (3) Months of the end of a Tax Year.
    3. All insurances that the Franchisee takes out under this Agreement must be with reputable and reliable insurance companies. The Franchisor can direct the Franchisee to change its insurance company if, in its reasonable opinion, the Franchisor determines that the Franchisee’s insurance company is not reputable or reliable.
    4. The Franchisee must comply with the terms of every insurance policy and must not do anything that may render such insurance policies ineffective or liable to cancellation.
21. training
    1. If the Franchisee does not have the required licences set out in clause 13 and in Item 17, the Franchisee and at least 1 Responsible Manager (which can be the Franchisee’s director), must undertake initial training in accordance with the Manuals. This initial training must commence no later than one (1) Week before the Commencement Date.
    2. If, in the Franchisor’s reasonable opinion, the Franchisee and/or the Responsible Manager have not satisfactorily completed the training, the Franchisee or the Responsible Manager are required to retake the training. The Franchisee may also be required to pay for the additional training as set out in Item 18. The cost of any additional training in accordance with this clause 37.2 will not be greater than the amount of the Training Fee.
    3. If, in the Franchisor’s reasonable opinion, the Franchisee or the Responsible Manager have not satisfactorily completed the initial training after the additional training has been completed, the Franchisor may, in its discretion, terminate this Agreement.
    4. From time to time during the Term, the Franchisee may request the Franchisor to provide additional training to the Franchisee on any aspect of the Franchised Business. The Franchisor will provide the additional training to the Franchisee but the Franchisee is required to pay:
       * 1. the Franchisor’s Costs for doing so; and
         2. the Franchisor’s then current hourly rate for providing additional training which the Franchisor will notify the Franchisee of at the time the Franchisee makes the request.
    5. If, from time to time, the Franchisor considers that the Franchisee may benefit from additional training, the Franchisor may ask the Franchisee to attend additional training. The Franchisor will not charge the Franchisee a fee if the Franchisor asks the Franchisee to attend additional training. However, the Franchisee is responsible for its own Costs in attending such additional training, including travel and meals.
    6. During the Term, the Franchisee may from time to time be directed by the Franchisor to host a person(s), being a prospective or incoming franchisee, for training at the Franchised Business. If the Franchisor directs the Franchisee to host such training, the Franchisor will provide the Franchisee notice and the Franchisee must provide training to the person(s) on the running of the Franchised Business.
22. meetings
    1. From time to time, the Franchisor may organise meetings for Franchisees to discuss issues of concern or new initiatives. When the Franchisor organises a meeting of this kind, the Franchisee must attend.
    2. The Franchisor will give the Franchisee reasonable notice of the time and place of the meeting.
    3. The Franchisee must meet its own Costs in attending the meeting.
23. Not in use
24. right of first refUsal
    1. Franchisor’s Right of First Refusal
       * 1. Subject to the conditions as set out in this clause 40, if the Franchisee receives an arm’s length, bona fide offer from a third party buyer and desires to Transfer the Franchised Business, the Franchisee must offer the same to the Franchisor in writing at the same price and on the same terms. The offer to the Franchisor must state the cash value of the offer received by the Franchisee, and the Franchisor may exercise its purchase option by paying the Franchisee such cash value.
         2. If the offer received by the Franchisee involves assets which do not form part of the Franchised Business, the offer to the Franchisor must state the cash value of such assets and the Franchisor may exercise its purchase option by paying the Franchisee such cash value.
         3. The Franchisor will have thirty (30) days to accept an offer from the Franchisee. This time period begins from the day the Franchisor confirmations receipt of the Franchisee’s offer.
         4. The Franchisee will, as soon as possible after any relevant request, provide the Franchisor with any information and documentation requested by the Franchisor to evaluate the offer and proposed sale.
         5. If the Franchisor accepts any offer the Franchisee makes to the Franchisor under clause 40.1, the Franchisor may offset against the purchase price paid to the Franchisee any monies owed by the Franchisee to the Franchisor or its Associates.
         6. If the Franchisor does not advise the Franchisee of the Franchisor’s acceptance or rejection of the offer within the thirty (30) day period, then the Franchisor is presumed to have declined to purchase the Franchised Business.
         7. If the Franchisor declines the Franchisee’s offer, then the Franchisee may Transfer the Franchised Business, but not at a lower price, nor on more favourable terms, than have been offered to the Franchisor as long as the Franchisee complies with its obligations under clause 40.1.
    2. Franchisee’s Right of Refusal
       * 1. If the Franchisor receives an arm’s length, bona fide offer from a prospective franchisee seeking to engage an Approved A2Z Service not currently approved for the Franchisee, the Franchisor will first offer the Franchisee the remaining services to the Franchisee on substantially similar terms offered to the prospective franchisee.
         2. The Franchisee will have twenty-one (21) days to accept an offer from the Franchisor. This time period begins from the day the Franchisee confirmations receipt of the Franchisor’s offer.
         3. The Franchisor will then, as soon as possible after any relevant request, provide the Franchisee with any information and documentation requested by the Franchisee to evaluate the offer and proposed purchase.
         4. If the Franchisee accepts any offer the Franchisor makes to the Franchisee under clause 40.2, the Franchisee may offset against the purchase price paid to the Franchisor of any monies owed by the Franchisor to the Franchisor or its Associates.
         5. If the Franchisee does not advise the Franchisor of the Franchisee’s acceptance or rejection of the offer within the thirty (30) day period, then the Franchisee is presumed to have declined to purchase the Approved Service within the Franchised Business.
         6. If the Franchisee declines the Franchisor’s offer, then the Franchisor may Transfer the Franchised Business, but not at a lower price, nor on more favourable terms, than have been offered to the Franchisee as long as the Franchisor complies with its obligations under this clause 40.2.
         7. The Franchisee may not offer the Franchised Business for Transfer at public auction, nor through an advertisement, either in the newspapers or online directory, without the Franchisor’s prior written consent.
25. TRANSFER OF THE FRANCHISED BUSINESS
    1. The Franchisee must not Transfer the Franchised Business without the Franchisor’s prior written consent.
    2. The Franchisor will have forty-two (42) days in which to respond to the Franchisee’s request to Transfer the Franchised Business.
    3. If the Franchisor requires further information to make an informed decision on whether to consent to the Transfer of the Franchised Business, the Franchisor may, in writing, request the Franchisee to provide specified information relevant to making the decision.
    4. The Franchisee’s ability to Transfer the Franchised Business is subject to the Franchisor’s right of first refusal detailed at clause 40 above.
    5. A rejection or lack of response to any offer the Franchisee makes to the Franchisor (in accordance with clause 40.1(f)) does not constitute consent to satisfy clause 41.1. The Franchisee must seek separate written consent in accordance with this clause 40.1 from the Franchisor.
    6. The Franchisor may reasonably withhold its consent to a Transfer of the Franchised Business if:
       * 1. the person or entity to whom the Franchisee intends to Transfer the Franchised Business (**Transferee**) is not, in the Franchisor’s reasonable opinion, financially responsible or capable;
         2. the Franchisee and/ or the Transferee do not meet any of the Franchisor’s reasonable conditions that the Franchisor sets for the Transfer of the Franchised Business, including the conditions set out in clause 41.11;
         3. the Transferee does not meet the Franchisor’s then current selection criteria for potential franchisees in the Franchise Network; or
         4. the Transferee does not agree to comply with their obligations under this Agreement.
    7. The matters listed in paragraphs (a) to (d) of clause 41.6 are not exhaustive of the circumstances in which the Franchisor may withhold its consent to a Transfer of the Franchised Business, as they are intended to set out some examples of where it would be reasonable for the Franchisor to withhold the Franchisor’s consent.
    8. If the Franchisor does not advise the Franchisee in writing that the Franchisor does not consent to the transfer of the Franchised Business within 42 days of the later of:
       * 1. the date the request is made; or
         2. if the Franchisor seeks further information – the date the last of the information is provided to the Franchisor;

then:

* + - 1. the Franchisor is taken to have consented to the Transfer of the Franchised Business; and
      2. the Franchisor’s consent cannot be revoked under clause 41.9.
  1. Within 14 days of giving consent to the Transfer of the Franchised Business, the Franchisor may revoke it by advising the Franchisee, in writing, that the Franchisor’s consent is revoked and the reasons why consent has been revoked.
  2. The matters set out in paragraphs (a) to (d) are examples of where it would be reasonable for the Franchisor to revoke their consent in accordance with clause 41.9, but these matters are not exhaustive of the circumstances in which the Franchisor may reasonable revoke the Franchisor’s consent.
  3. The matters set out below are the conditions that must be satisfied before the Franchisee may Transfer the Franchised Business:
     + 1. the Franchisee must:
          1. agree to pay the Franchisor the Transfer Fee on the settlement date of the sale of the Franchised Business;
          2. not be in breach of this Agreement or any Related Agreement at the time the request for a Transfer is made and on the date of the proposed Transfer;
          3. have fully paid or have made provisions to pay any amount owing to the Franchisor;
          4. comply with any provisions contained in the Franchising Code that deal with Transfers of franchise businesses;
          5. pay the Franchisor’s Costs for preparing or reviewing any documents required to complete the Transfer, including any contract of sale between the Franchisee and the Transferee and make any reasonable amendments required by the Franchisor; and
          6. enter into an agreement with the Franchisor, in a form approved by the Franchisor, terminating this Agreement.
       2. The Transferee must:
          1. complete the Franchisor’s then current application form (if any) and supply any information that the Franchisor requested by the Franchisor for the purpose of the Franchisor assessing the suitability of the Transferee to be a Franchisee;
          2. give the Franchisor a complete statement of their assets and liabilities,
          3. attend an interview with the Franchisor, at a place the Franchisor nominates;
          4. hold any qualifications or accreditations required to operate the Franchised Business;
          5. undertake any checks as reasonably required to operate the Franchised Business;
          6. enter into a franchise agreement (and any Related Agreement) with the Franchisor in the Franchisor’s then current form;
          7. pay the Franchisor any fees payable in accordance with the Transferee’s franchise agreement including the Training Fee;
          8. obtain consent to take possession of the Premises; and
          9. provide the Franchisor a written statement that confirms that they have received, read and had a reasonable opportunity to understand the Franchisor’s Disclosure Document and the Franchising Code.
  4. If the Franchisee Transfers the Franchised Business, the Franchisee is not released from any obligations under this Agreement which are intended to apply after termination of this Agreement or after the Transfer of this Agreement.

1. TRANSFER BY THE FRANCHISOR
   1. The Franchisor may transfer or charge the Franchisor’s interest in the Franchised Business and in this Agreement.
   2. The Franchisee must sign all documents required by the Franchisor to give effect to a transfer or charge under clause 42.1.
2. TERMINATION – FOR BREACH
   1. If the Franchisee breaches this Agreement and the Franchisor proposes to terminate this Agreement because of that breach, the Franchisor must:
      * 1. give the Franchisee reasonable notice in writing that the Franchisor proposes to terminate this Agreement because of the breach in accordance with the Franchising Code;
        2. inform the Franchisee in writing what the Franchisor requires the Franchisee to do to remedy the breach; and
        3. allow the Franchisee a reasonable time to remedy the breach.
   2. For the purpose of clause 43.1, a reasonable time to remedy the breach shall not exceed thirty (30) days.
   3. If the Franchisee fails to remedy the breach within the time period stipulated in the notice provided under clause 43.1, the Franchisor may terminate this Agreement immediately.
3. TERMINATION – SPECIAL CIRCUMSTANCES
   1. The Franchisor may terminate this Agreement at any time with immediate effect by giving the Franchisee notice in writing if the Franchisee:
      * 1. no longer holds a licence, permit or authority that the Franchisee requires to operate the Franchised Business;
        2. becomes bankrupt, insolvent under administration or an externally administered body corporate;
        3. voluntarily abandons the Franchised Business;
        4. is convicted of a Serious Offence;
        5. operates the Franchised Business in a way that endangers public health or safety;
        6. is fraudulent in connection with the operation of the Franchised Business; or
        7. agrees in writing to terminate this Agreement.
4. EVENT OF DEFAULT
   1. In addition to any other rights in this Agreement, the Franchisor may terminate this Agreement if the Franchisee fails to remedy an Event of Default.
   2. An Event of Default occurs if:
      * 1. the Franchisee fails to comply with any provision of the Manuals;
        2. the Franchisee cannot pay its debts as and when they fall due;
        3. the Franchisee or Responsible Manager no longer holds any qualifications or accreditations required to operate the Franchised Business;
        4. fails to achieve the Minimum Performance criteria for a period of two (2) consecutive Months;
        5. the Franchisee or Responsible Manager no longer passes any checks as required to operate the Franchised Business;
        6. any of the Guarantors die or become permanently incapacitated, become bankrupt or insolvent under external administration, are convicted of a Serious Offence or are in the Franchisor’s reasonable opinion no longer financially capable of providing an adequate guarantee of the Franchisee’s obligations and that Guarantor is not replaced by a substitute Guarantor reasonably acceptable to the Franchisor within thirty (30) days of the Franchisor determining the unsuitability of the Guarantor;
        7. the Franchisee fails to provide a Statement of Solvency as required by clause 35.1, or if the Statement of Solvency provided fails to establish, in the Franchisor’s opinion and the opinion of the Franchisor’s professional advisers, that the Franchisee is solvent (within the meaning of the term as defined in section 95A of the *Corporations Act* *2001* (Cth)), or the Statement of Solvency establishes that the Franchisee has been served or has suffered service of any execution, levy, or distress against the Franchisee’s assets;
        8. the Franchisee permits to occur or suffers a substantial change in the management, or any change in the Franchisee’s ownership or control which is not first disclosed to and approved in writing by the Franchisor;
        9. the Franchisee declares any trust or otherwise creates any beneficial interest in the Franchised Business or any part of the assets of the Franchised Business without the Franchisor’s prior written consent;
        10. the Franchisor receives serious, continual or a significant number of genuine complaints from Customers relating to the operation of the Franchised Business by the Franchisee or by the Franchisee’s Personnel and the Franchisee fails to comply with any of the Franchisor’s requirements to implement procedures and conduct to prevent complaints continuing;
        11. the Franchisee breaches the payment terms in respect of any Approved Supplier (including the Franchisor or the Franchisor’s nominee);
        12. the Franchisee breaches the reporting obligation timeframes in respect of any key data including financials requested by the Franchisor;
        13. the Franchisee is in breach of any Related Agreement;
        14. the Franchisee or the Guarantor is in breach under another agreement with the Franchisor (as set out in clause 46); or
        15. the Franchisee fails to maintain the appropriate and mandatory insurance policies.
5. CROSS DEFAULT
   1. If the Franchisee or the Guarantor is party to another agreement, including Related Agreements, with the Franchisor or its Associates, then:
      * 1. a breach or Event of Default under this Agreement will be a breach or default under the other agreement; and
        2. a breach or Event of Default under the other agreement will be a breach or default under this Agreement, allowing for termination under clause 45.
6. ACTION ON TERMINATION OR EXPIRY
   1. When this Agreement expires, is terminated, or comes to an end for any reason whatsoever, all rights granted to the Franchisee under this Agreement cease and the Franchisee is immediately required to:
      * 1. vacate the Premises and leave in the Premises all fixtures, fittings and Equipment used for running the Franchised Business until such time as the Franchisor advises the Franchisee, in writing, to remove such fixtures, fittings, and Equipment;
        2. compensate the Franchisor for Costs the Franchisor incurs in removing any fixtures, fittings, and Equipment from the Premises if the Franchisee fails to remove such items in accordance with clause 48.1(b);
        3. Leave all Equipment at their current place of storage until such time as the Franchisor advises the Franchisee, in writing, to remove the Equipment;
        4. compensate the Franchisor for Costs the Franchisor incurs in removing any Vehicle Fit Out, and Equipment in accordance with clause 48.1(b);
        5. reinstate the Premises to the condition required by the Lease and/or as specified by the Franchisor;
        6. compensate the Franchisor for reasonable Costs the Franchisor incurs in reinstating the Premises to the condition required by the Lease and/or as specified by the Franchisor in accordance with clause 47.1;
        7. immediately deliver to the Franchisor all keys to the Premises;
        8. [If applicable - provide the Franchisor or its nominee with all logins, passwords, access codes required to access and utilise the Electronic Equipment and Software and all relevant trading accounts];
        9. answer any reasonable questions asked by the Franchisor as soon as reasonably practicable;
        10. cease trading under the Business Name;
        11. pay all of the Franchisee’s creditors;
        12. if the Franchisor agrees, in its absolute discretion, that the Franchisee may continue to occupy the Premises after the expiry or termination of this Agreement, the Franchisee must remove all signs, fixtures and fittings identifiable with the Image or any of the Intellectual Property, including the Trade Marks, and change all colours and the layout and appearance of the Premises, as required by the Franchisor, to ensure that the Premises cannot be confused with the Franchisor and to ensure the public is not given the impression that the Franchisee remains or is in any way connected with the Franchisor or the Franchise Network. If the Franchisee fails to remove all signs, fixtures and fittings identifiable with the Image or any of the Intellectual Property, including the Trade Marks, or fails to change all colours and the layout and appearance of the Premises, as required by the Franchisor, or the Franchisee fails to do so to the Franchisor’s reasonable satisfaction, the Franchisor shall be entitled to enter the Premises and perform all works and do all things that may be required and the Franchisee shall compensate the Franchisor for the reasonable Costs the Franchisor incurs in doing so;
        13. return to the Franchisor the original and any copies of the Manuals, newsletters, forms, stationery, promotional materials, business cards or any other materials produced or provided by the Franchisor or that bear the Trade Marks;
        14. cancel the registration of the Business Name or transfer the registration of the Business Name to the Franchisor or the Franchisor’s nominee (as directed by the Franchisor);
        15. sign all documents required by the Franchisor to confirm the expiration or termination of this Agreement;
        16. cease using the Franchisor’s Trade Marks and Intellectual Property;
        17. transfer to the Franchisor or its nominee:
            1. all Connections, domain names, e-mail addresses and social media accounts including but not limited to Facebook, Twitter, Instagram, LinkedIn used in connection with the Franchised Business;
            2. all permits, registrations and licences necessary for the conduct of the Franchised Business; and
            3. provide all relevant account, log-in and password details to allow the Franchisor to access the items in clauses 47.1(q)(i) to 47.1(q)(ii) above.
        18. where the Franchisee leases the Premises directly and if required by the Franchisor, the Franchisee must use its best endeavours to procure either:
            1. a transfer of the Lease to the Franchisor or the Franchisor’s nominee (as directed by the Franchisor); or
            2. a new Lease of the Premises in the Franchisor’s name or the name of the Franchisor’s nominee (as directed by the Franchisor);
        19. pay to the Franchisor all money which the Franchisee owes to the Franchisor;
        20. pay to the Franchisor, or not object to the Franchisor’s retention of, the Security Retention Amount in accordance with clause 46;
        21. pay all money payable under the Lease, including any Costs associated with the expiry, surrender or termination of the Lease to:
            1. the Landlord where the Franchisee has entered into the Lease for the Premises directly; or
            2. the Franchisor where the Franchisee has entered into a Licence Agreement with the Franchisor for the right to use and occupy the Premises; and
        22. give the Franchisor the option to purchase any Assets in accordance with clause 47.2 below.
   2. The Franchisee acknowledges and agrees that all the goodwill and other rights and interests arising from the Franchisee’s use of the Intellectual Property during the Term of this Agreement belongs to the Franchisor or its Associates, and the Franchisee is not entitled to any compensation on the termination, expiration of this Agreement or non-exercise of any option to enter into a new franchise agreement for an additional term.
7. Option to purchase assets and aCquire lease
   1. When this Agreement expires, is terminated, or comes to an end for any reason whatsoever, the Franchisee grants the Franchisor an option to purchase any Assets on the following terms:
      * 1. the Franchisor’s option to purchase any Asset will be open for sixty (60) days following the date this Agreement comes to an end for any reason whatsoever;
        2. the Franchisee will give the Franchisor full access to the Assets and permit the Franchisor to inspect and test any of the Assets;
        3. the exercise of the Franchisor’s option shall be exercisable by written notice;
        4. if the Franchisor exercises its option to purchase any Asset, ownership of the Asset will pass to the Franchisor immediately upon payment to the Franchisee of the price of the Asset;
        5. the price for any Asset:
           1. will be the lesser of:

the written down value (at the time the option is exercised);

the fair market value (at the time the option is exercised); or

where a value cannot be determined, as valued by an independent third party valuer appointed by the president of the Institute of Chartered Accountants Australia; and

* + - * 1. will take into consideration (by deduction from the price) any:

Costs or estimated Costs for any work required to service or repair the Asset; or

contribution the Franchisor receives from any party for the purchase of the Asset;

* + - 1. the Franchisor may directly communicate with any party that has any legal or equitable interest in any Asset and obtain a discharge of any such legal or equitable interest;
      2. payment of the price for any Asset will be made to the Franchisee within sixty (60) days of the Franchisee receiving notice of the Franchisor’s exercise of its option to purchase any Asset; and
      3. the price of any Asset which the Franchisor intends to purchase may be offset against any amounts which the Franchisee owes the Franchisor.
  1. During the sixty (60) day option period in clause 48.1(a), the Franchisor may, or allow any other party to, possess and use the Assets if reasonably required for the purpose of operating a Franchise at no cost.
  2. The Franchisor will notify the Franchisee within seven (7) days of the expiry of the sixty (60) day option period (set out in clause 48.1(a)), which Assets the Franchisor does not intend to purchase (if any). The Franchisee must within fourteen (14) days of the Franchisor’s notice, and at the Franchisee’s own Cost, remove any Asset from the Premises which the Franchisor does not intend to purchase. If the Franchisee does not remove any Asset within fourteen (14) days of the notice, the Franchisor may (at the Franchisee’s Cost) remove the Asset, and the Franchisee must compensate the Franchisor for any damage that is done to the Premises while the Franchisor is removing the Asset.
  3. The Franchisee must repair or compensate the Franchisor for the Costs of repairing any damage that is done to the Premises while the Franchisee is removing any Asset in accordance with 48.3. The Franchisor may offset any Costs the Franchisor incurs to repair any damage that is done to the Premises against the price of any Asset the Franchisor intends to purchase.

1. SECURITY RETENTION AMOUNT
   1. The Franchisee must pay the Franchisor on demand, or otherwise not object to the Franchisor retaining, the Security Retention Amount if the Franchisee Transfers the Franchised Business or if this Agreement comes to an end for any reason whatsoever. Alternatively, the Franchisor may retain or withhold the Security Retention Amount from any amounts owing by the Franchisee to the Franchisee.
   2. The Security Retention Amount will be held by the Franchisor for a reasonable period (which, in any case, will be no longer than three (3) Months) following the date the Franchised Business is transferred or this Agreement comes to an end, and will be used as security for any of the Franchisee’s obligations and liabilities associated with this Agreement, the Franchised Business generally and the Premises (including the Lease).
   3. The Franchisor may apply the Security Retention Amount to satisfy any legitimate Claim that is made by:
      * 1. the Franchisor and/ or the Franchisor’s Associates, including any monies owing pursuant to this Agreement and/ or any Related Agreement;
        2. the Landlord of the Premises;
        3. the Franchisee’s Personnel;
        4. the Approved Suppliers; and
        5. any other creditor of the Franchised Business,
   4. The parties listed in clause 49.3 are not an exhaustive list of parties who may raise a legitimate Claim and the Security Retention Amount may be applied to satisfy a legitimate Claim by any party who raises a legitimate Claim that is associated with the Franchised Business and/ or the Premises. The Security Retention Amount will also be applied towards any reasonable Costs the Franchisor may incur in satisfying the legitimate Claim.
   5. Any application of the Security Retention Amount to payment made to any party will be determined at the Franchisor’s absolute discretion. The Franchisor will determine the priority and the amount any party is paid.
   6. No later than three (3) Months following the date the Franchised Business is transferred or this Agreement comes to an end, the Franchisor will refund to the Franchisee the balance (if any) of the Security Retention Amount that has not been applied towards satisfying any legitimate Claim (including any reasonable Costs incurred by the Franchisor).
2. RESTRICTIONS ON COMPETITION
   1. During the Term of this Agreement, the Franchisee is required to operate the Franchised Business during Core Business Hours and the Franchisee, Guarantors and the Responsible Manager agree not to be involved in any capacity including as a sole trader, partner, shareholder, agent, joint ventures director, consultant, contractor or employee (**Involved**) with any business, activity or undertaking which is similar to the Franchised Business or provides similar goods or services to the goods or services provided by the Franchised Business.
   2. As the Franchisee is required to operate the Franchised Business during Core Business Hours as set out in clause 50.1, the Franchisee, Guarantors and the Responsible Manager must not, during the Term of this Agreement, be Involved with any other business, activity or undertaking during Core Business Hours without the Franchisor’s prior written consent. The Franchisor is entitled to withhold the Franchisor’s consent if, in the Franchisor’s opinion, the Franchisee’s or the Responsible Manager’s involvement in the other business, activity or undertaking may have an adverse impact on the performance of the Franchised Business.
   3. If an employee, contractor or agent was formerly employed or engaged by another Franchise, then the Franchisee cannot employ or engage that employee, contractor or agent until the Franchisee has obtained the approval from the other franchisee.
   4. During the Restraint Period and within the Restraint Area, Franchisee, Guarantors and the Responsible Manager agree not to be Involved with any business, activity or undertaking which is similar to the Franchised Business or provides similar goods or services to the goods or services provided by the Franchised Business.
   5. Clause 50.4 will be read as if each Restraint Period were combined with each Restraint Area to create separate and discrete clauses each being severable from the others. If any combination is taken to be invalid or unenforceable it will be omitted from this Agreement without affecting the other combinations.
   6. The Franchisee must indemnify the Franchisor against all Claims, Damages, Costs directly or indirectly incurred by the Franchisor if the Franchisee does not procure that each Guarantor and Responsible Manager complies with the restraints set out in clause 50.4, even if a Guarantor or Responsible Manager wilfully refuses to comply with the Franchisee’s requests or directions.
   7. The Franchisee acknowledges and agrees that the restraint contained in this clause 50 is reasonably required to protect the Franchisor’s legitimate business interests and the Franchise Network generally.
   8. In the event that the Franchisee is a corporation, the Franchisee acknowledges and agrees that the Franchisee will promptly procure from the Franchisee’s directors, other officers and shareholders to enter into the Competition Restraint and Confidentiality Deed prior to the Commencement Date.
   9. This clause 50 will survive termination of this Agreement.
3. GOODWILL
   1. The Franchisor is not, at any time, required to make any payment to the Franchisee for any goodwill that may exist in relation to the Franchised Business.
   2. The Parties hereby acknowledge that if clause 23 of the Franchising Code applies on termination of this Agreement such that goodwill is payable by the Franchisor to the Franchisee in order to enforce any restraint in this Agreement, then the “goodwill” payable by the Franchisor to fully enforce the restraint shall be equal to:
      * 1. the reported net profit after tax of the Franchised Business for the past two (2) Tax Years prior to termination;
        2. less an amount that in the Franchisor’s reasonable opinion is equal to the value of all of the goodwill attributable to the Intellectual Property provided by the Franchisor during the Term of this Agreement.
4. ACKNOWLEDGMENTS
   1. The Franchisee acknowledges and declares that:
      * 1. the success of the Franchised Business depends on the Franchisee’s own efforts and the efforts of the Franchisee’s Personnel and the Franchisee acknowledges and agrees to assume full responsibility for the success or failure of the Franchised Business;
        2. the Franchisee has no power or right to create obligations on the Franchisor’s behalf;
        3. the Franchisor does not guarantee that the Franchised Business will provide a minimum rate of return on investment or profit;
        4. the amount of any profit or return on investment to the Franchisee depends on factors beyond the Franchisor’s control;
        5. the Franchisee has made its own inquiries and formed its own view on the legal and commercial implications of entering into this Agreement and any Related Agreement;
        6. the Franchisee is aware that as a Franchisee it will be responsible for the operation of the Franchised Business, including compliance with applicable laws and regulations;
        7. the Franchisee has carefully read the provisions of this Agreement and any Related Agreement and has understood them;
        8. in executing this Agreement, the Franchisee has not relied on any statement, representation or promise made by the Franchisor or any of the Franchisor’s officers other than those set out in this Agreement and in the Warranties and Special Conditions Schedule;
        9. the Franchisee has obtained, or has been given the opportunity to obtain independent legal, financial and business advice in relation to this Agreement and any Related Agreement;
        10. any cash flows, profit and/or budget projections provided by the Franchisor are estimates/projections only and have been prepared to use as a guide to assist the Franchisee and its professionals in preparing the Franchisee’s own estimates and projections;
        11. at least fourteen (14) days before signing, the Franchisee has received from the Franchisor, a copy of the Franchisor’s Disclosure Document, a copy of the Franchising Code, and a copy of the Information Statement; and
        12. the Franchisee has read the Franchisor’s Disclosure Document, the Franchising Code and the Information Statement.
5. Corporation Provisions
   1. This clause applies if the Franchisee enters into this Agreement as a corporation (or as a corporate trustee).
   2. The Franchisee must ensure that all shareholders enter into this Agreement as a Guarantor.
   3. The Franchisee may not, without the Franchisor’s prior written approval:
      * 1. change the composition of the Franchisee’s company directors;
        2. amend the company constitution;
        3. Dispose of any of the Franchisee’s Shares; or
        4. alter the Franchisee’s capital.
   4. The Franchisor will not unreasonably withhold approval to any change contemplated in clause 53.3 if the Franchisor considers that such change would not adversely affect the Franchisee’s ability to perform its obligations under this Agreement.
   5. The Franchisee and any of its shareholders must not, on any grounds whatsoever, claim the benefit of any security that is held on the Franchisee’s assets in competition with the Franchisor so as to diminish any payment which the Franchisor would be entitled to receive from the Franchisee or out of the Franchisee’s assets.
6. TRUSTEE PROVISIONS
   1. This clause applies if the Franchisee enters into this Agreement as a Trustee of a Trust.
   2. The Franchisee warrants and represents to the Franchisor that:
      * 1. the Franchisee enters into this Agreement inter alia as Trustee of the Trust;
        2. the Trust has been validly created and is in existence at the date of this Agreement;
        3. the Franchisee has been validly appointed as Trustee of the Trust and the Franchisee is the only Trustee of the Trust;
        4. the Trust is solely constituted by the Trust Deed, a true copy of which was provided to the Franchisor or the Franchisor’s agent prior to the Contract Date;
        5. the Franchisee has full and free power to enter into this Agreement inter alia in the Franchisee’s capacity as trustee of the Trust and the Franchisee has obtained the consent or approval of any person which is needed to ensure that the property of the Trust is bound upon the execution of this Agreement;
        6. a date has not been declared under the Trust Deed as the date on which the Trust will be vested or come to an end;
        7. no proceedings of any description have been or are likely to be commenced or threatened which could have a material adverse effect on the assets or financial position of the Trust or on the Franchisee’s trusteeship of the Trust including steps taken or threatened by any person to:
           1. revoke or vary the Trust Deed;
           2. remove the Franchisee as a Trustee of the Trust;
           3. appoint additional Trustees to the Trust;
           4. have the Trust assets administered pursuant to any order of a court;
           5. have any receiver or administrator of the Trust assets appointed or have the Trust wound up; or
           6. charge the Franchisee or anyone acting on the Franchisee’s behalf with any breach of trust or misappropriation of Trust assets in connection with the Trust; and
        8. all information or documents supplied to the Franchisor or to any person on the Franchisor’s behalf for the purposes of the Franchised Business are true and accurate and leave no material facts undisclosed.
   3. The Franchisor will have the right to terminate this Agreement under clause 43.1 where any of the following events, being an Event of Default, occurs without the Franchisor’s prior written approval:
      * 1. the removal or resignation of the Trustee as Trustee of the Trust;
        2. the appointment of a new or additional trustee of the Trust;
        3. a re-settlement of the Trust;
        4. a variation of the Trust Deed;
        5. a vesting distribution of the Trust or any assets of the Trust (other than income);
        6. a breach of trust by the Trustee;
        7. the Trustee for any reason loses or ceases to be entitled to its right of indemnity against the assets of the Trust; or
        8. if, as a result of the act or omission of the Trustee of the Trust, any of the assets of the Trust are diminished or made less accessible to the Franchisor.
   4. The Franchisee:
      * 1. agrees that the assets of the Trust and also those beneficially held by the Franchisee on its own behalf will be available to satisfy the Franchisee’s obligations under this Agreement; and
        2. must, if the Franchisor requires, exercise the Franchisor’s rights of indemnity against the assets of the Trust to satisfy any of the Franchisee’s obligations under this Agreement.
7. Death, PERMANENT DISABILITY AND SICKNESS
   1. If:
      * 1. the Franchisee or the Responsible Manager dies;
        2. a qualified medical practitioner certifies that the Franchisee or the Responsible Manager is incapacitated to such an extent that the Franchisee [or the Responsible Manager] is no longer capable of effectively managing the Franchised Business and such incapacity is reasonably expected to be permanent; or
        3. the Franchisee or the Responsible Manager ceases to manage and devote its full time and attention to the Franchised Business;

then the Franchisor has the option to:

* + - 1. take over the management of the Franchised Business in accordance with this clause 55; or
      2. direct the Franchisee to Transfer the Franchised Business (with such Transfer to be conducted in accordance with clause 40.1).
  1. Where the Franchisee is more than one person, if the event set out in clause 55.1 occurs to only one person and the other person is not affected, then the non-affected person must continue to manage and devote their full time and attention to the Franchised Business.
  2. If the Franchisor take over the management of the Franchised Business in accordance with clause 55.1(d) then:
     + 1. the Franchisor will account to the Franchisee every Month for any amount remaining after deducting all expenses and a reasonable administration fee payable to the Franchisor; and
       2. the Franchisee will be liable to reimburse to the Franchisor every Month any deficit generated by the Franchised Business after deducting all expenses and a reasonable administration fee payable to the Franchisor.
  3. Within six (6) Months after the Franchisor takes over management of the Franchised Business in accordance with clause 55.1(d), the Franchisee must use its best efforts to recruit a replacement Responsible Manager acceptable to the Franchisor and who can otherwise comply with the terms of this Agreement.
  4. If within six (6) Months after the Franchisor takes over management of the Franchised Business in accordance with clause 55.1(d), the Franchisee has not been able to recruit a replacement Responsible Manager acceptable to the Franchisor, the Franchised Business must be put on the market for sale.
  5. If the Franchisee has not been able to recruit a replacement Responsible Manager acceptable to the Franchisor within twelve (12) Months after the Franchisor takes over management of the Franchised Business, or if the Franchised Business has not been sold within twelve (12) Months after the Franchisor takes over management of the Franchised Business, the Franchisor may:
     + 1. extend the period in which the Franchisor manages the Franchised Business; or
       2. terminate this Agreement.

1. GUARANTEE AND INDEMNITY
   1. By signing this Agreement, the Guarantor agrees and acknowledges, or where more than one, the Guarantors, jointly and severally agree and acknowledge, that the Franchisor has provided valuable consideration for the guarantee and indemnity given under this clause 56 and the Guarantor or Guarantors (as the case may be) accordingly:
      * 1. guarantees to the Franchisor the performance of all of the Franchisee’s obligations under this Agreement and any Related Agreement;
        2. guarantees to the Franchisor to pay any amount which the Franchisee is liable to pay the Franchisor under, or arising out of, this Agreement including any money which the Franchisee is required to pay the Franchisor arising out of a breach of this Agreement and any money which the Franchisee is liable to pay the Franchisor pursuant to a Related Agreement (**Guaranteed Money**); and
        3. indemnifies the Franchisor against any loss the Franchisor suffers because:
           1. the Franchisee does not perform its obligations under this Agreement and any Related Agreement including the obligation to pay Guaranteed Money; or
           2. the Franchisee’s liability to pay the Guaranteed Money is unenforceable in whole or in part for any reason whatsoever.
   2. This guarantee and indemnity is a continuing guarantee until the whole of the Guaranteed Money is paid and all the Franchisee’s obligations under this Agreement and any Related Agreement have been performed even after expiry or termination of this Agreement or any Related Agreement.
   3. The Guarantor agrees that any payment made by the Franchisee to the Franchisor which is later voided or reversed under any law shall be deemed not to have been made so that the Guarantor’s obligation to the Franchisor will be restored to the position that would have existed if such payment was not made.
   4. The Guarantor agrees that they will not prove or claim in any liquidation until the Franchisor has received 100 cents in the dollar in respect of all Guaranteed Money.
   5. The Franchisor’s rights against the Guarantor under this clause 56 are not affected by:
      * 1. the Franchisor granting any concession or indulgence to the Franchisee or the Guarantor;
        2. the Franchisor releasing the Franchisee or the Guarantor wholly or in part from any obligation under this Agreement or any Related Agreement;
        3. the variation of this Agreement or any Related Agreement in any way;
        4. any assignment of any parties’ rights and obligations under this Agreement or any Related Agreement;
        5. this Agreement or any Related Agreement terminating or otherwise coming to an end;
        6. any Guaranteed Money becoming unenforceable;
        7. the Franchisor failing to, or delaying in, suing the Franchisee or the Guarantor in respect of any breach of this Agreement or any Related Agreement;
        8. the Guarantor dying, or becoming disabled, or becoming bankrupt or entering into any arrangement under the Bankruptcy Act;
        9. the Franchisee entering into any form of external administration or the Franchisee becoming deregistered as a corporation;
        10. the Franchisee dying, or becoming disabled (if it is an individual), or becoming bankrupt or entering into any arrangement under the Bankruptcy Act;
        11. the Guarantor failing to sign this Agreement or any Related Agreement; or
        12. this Agreement or any Related Agreement becoming void or unenforceable against the Guarantor.
   6. The Franchisor is not required to enforce any right which the Franchisor may have against the Franchisee before claiming under the guarantee in this clause 56.
   7. The Guarantor agrees and acknowledges that they do not give the Franchisor this guarantee and indemnity as a result of, or by reason of, any promise, representation, statement or information of any nature or kind given or offered to them by the Franchisor or on the Franchisor’s behalf.
   8. This clause 56 will survive termination of this Agreement.
2. Not used
3. POWER OF ATTORNEY
   1. The Franchisee irrevocably appoints the Franchisor and the Franchisor’s directors collectively and individually as the Franchisee’s lawful attorneys.
   2. An attorney appointed under clause 58.1 may, in the Franchisee’s name, do anything that the Franchisor thinks is necessary for the full and proper performance of the Franchisee’s obligations under this Agreement including (but not limited to):
      * 1. attending to the registration of the Business Name;
        2. cancelling or transferring the Business Name; and
        3. cancelling or transferring any of the Connections.
   3. The Franchisor will only exercise the powers under clause 58.1 if the Franchisee has refused or neglected to carry out one or more of the Franchisee’s obligations under this Agreement within a reasonable time.
   4. The power of attorney granted under clause 58.1 may be exercised by an attorney:
      * 1. before or after termination or expiry of this Agreement; and
        2. despite any actual or apparent conflict between the Franchisee and the Franchisor.
   5. The Franchisee agrees (if required) to ratify anything the Franchisor does as the Franchisee’s attorney.
4. Good Faith
   1. The Franchisee must act in good faith in carrying out the Franchisee’s obligations pursuant to this Agreement and the Franchising Code as defined and required under the Franchising Code.
   2. The Franchisor will act in good faith in carrying out the Franchisor’s obligations pursuant to this Agreement and the Franchising Code as defined and required under the Franchising Code.
5. resolving disputes
   1. The Franchising Code sets out procedures that must be followed to help resolve disputes. For as long as the Franchising Code is in operation, that procedure will apply to any disputes which arise between the Franchisee and the Franchisor in connection with the Franchised Business.
   2. The Franchisee must act in good faith in attempting to negotiate and resolve any dispute with the Franchisor, including by way of provision of documentation as requested by the Franchisor to assess any dispute, and participation in any dispute resolution procedure as nominated by the Franchisor.
6. INDEPENDENT ADVICE
   1. The Franchisee is required to complete the certificate attached to this Agreement marked “Franchisee’s Statement” at Annexure H.
   2. The certificates attached to this Agreement marked “Solicitor Statement” (Annexure I), “Accountant Statement” (Annexure J) and “Business Advisor Statement” (Annexure K) must also be completed and signed by the relevant parties.
   3. If the Franchisee and the Guarantors elect not to obtain independent legal and/or financial advice, the Franchisee and the Guarantors are required to complete and sign Part C of the certificates attached to this Agreement marked “Solicitor Statement” (Annexure I), “Accountant Statement” (Annexure J) and “Business Advisor Statement” (Annexure K).
7. Connections
   1. Even if the Franchisee is the subscriber of the Connections with the Connections Provider, the Franchisor may during the Term if the Franchisee is in breach of this Agreement, or if the Franchised Business ends for any reason whatsoever, direct the Franchisee to:
      * 1. transfer any of the Connections to a party nominated by the Franchisor; or
        2. the Franchisor may take over any of the Connections and become the sole subscriber of them.
   2. During and after the Term, if requested by the Franchisor, the Franchisee must do everything necessary including signing documents to transfer the Connections to a party nominated by the Franchisor or to the Franchisor. Where a Connection cannot be transferred, the Franchisee must do everything necessary to divert the Connection to a party nominated by the Franchisor or to the Franchisor.
   3. During the Term, the Franchisee must not, without the Franchisor’s prior written consent, allow any Connections which the Franchisor has not approved to be used in any advertising material for the Franchised Business.
   4. During and after the Term, the Franchisee must not do anything which may affect the Franchisor’s right to take over the Connections.
   5. If the Franchisee fails to act on a request made by the Franchisor under this clause 62 within 48 hours of such request having been made, the Franchisor may carry out the request as the Franchisee’s attorney in accordance with clause 58.
8. PAYMENTS AND DEFAULT INTEREST
   1. All payments due by the Franchisee to the Franchisor under this Agreement must be paid promptly and without any deduction, set off or counter claim.
   2. If the Franchisee does not pay the amounts which are due to the Franchisor under this Agreement on time (except for the Royalty Fee), the Franchisee must pay interest on all overdue amounts at the Default Rate of Interest calculated as simple interest and compounded daily, until paid in full.
   3. If the Franchisee does not pay the Royalty Fee which is due to the Franchisor under this Agreement on time, the Franchisee must pay interest as set out in clause 7.4.
9. COSTs
   1. To the extent permitted by law and the Franchising Code, the Franchisee must pay or reimburse the Franchisor for all of the Franchisor’s Costs associated with or incidental to:
      * 1. preparing, negotiating, executing and stamping this Agreement and all Related Agreements;
        2. any failure by the Franchisee for observing or performing any of its obligations under this Agreement;
        3. the termination of this Agreement or the Lease;
        4. the variation of this Agreement or the Lease;
        5. a request from the Franchisee for a Transfer of the Franchised Business; and
        6. the contemplated, attempted or actual enforcement or exercise of any of the Franchisor’s rights under this Agreement including the obtaining by the Franchisor of any advice.
10. INDEMNITY
    1. To the extent permitted by law, the Franchisee acknowledges and agrees to indemnify the Franchisor for all Claims, Damages and Costs that the Franchisor incurs or suffers resulting directly or indirectly from:
       * + 1. the operation of the Franchised Business;
           2. the Franchisee’s breach of this Agreement; or
           3. the Franchisee’s breach of any Related Agreement,

except to the extent the Franchisor caused or contributed to the Claims, Damages and Costs by the Franchisor’s negligence.

* 1. For the avoidance of doubt, the Claims, Damages and Costs (to which clause 65.1) applies may occur from:
     + 1. injury to any person, or loss of property at the Premises;
       2. any negligence or wilful act or omission by the Franchisee or the Franchisee’s Personnel; or
       3. any warranty, representation or promise made by the Franchisee that is incomplete, inaccurate or misleading.

1. GST
   1. Unless GST is expressly included, the fees which the Franchisee is required to pay the Franchisor under this Agreement do not include any GST which may be applicable.
   2. If the Franchisor is liable to pay GST on a payment which the Franchisor receives from the Franchisee under this Agreement because the payment is made for a taxable supply which the Franchisor makes to the Franchisee, then in addition to the payment itself, the Franchisee must pay the Franchisor the amount of any GST which the Franchisor is liable to account for on that payment so that the net amount which the Franchisor retains after the Franchisor accounts for GST is the same as it would have been if there had been no GST payable on that payment.
   3. Payments for GST are to be made at the same time as the payment to which the GST relates is made.
2. THE FRANCHISEE’S RELATIONSHIP WITH THE FRANCHISOR
   1. The Franchisee conducts the Franchised Business as an independent business operator. The Franchisee’s relationship with the Franchisor is one of Franchisor/Franchisee. The Franchisor is not in partnership with the Franchisee nor is the Franchisor involved in a joint venture with the Franchisee.
   2. In operating the Franchised Business, the Franchisee must:
      * 1. enter all contracts, including employment contracts with the Franchisee’s Personnel, in its own name;
        2. inform all the Franchisee’s creditors and everyone the Franchisee deals with that the Franchisee is solely responsible for liabilities which the Franchisee incurs; and
        3. inform everyone that the Franchisee deals with what the nature of the Franchisee’s relationship is with the Franchisor.
3. other Franchises
   1. The Franchisor is not under any obligation to the Franchisee to ensure that other Franchises in the Franchise Network comply with their franchise agreement with the Franchisor.
   2. The terms of this Agreement may differ from other franchise agreements that the Franchisor has with other Franchises in the Franchise Network.
   3. The Franchisor may make similar or different commercial arrangements with other Franchises in the Franchise Network.
4. time of the ESSENCE
   * 1. Time periods for the performance of obligations in this Agreement or any Related Agreement are to be strictly followed and the failure to meet or perform an obligation on time shall constitute a fundamental breach of this Agreement.
5. STATUTORY and other REGULATORY requirements
   1. It is the Franchisee’s responsibility to comply with all statutory and other regulatory requirements relating to the Franchised Business including:
      * 1. in relation to the Premises;
        2. in relation the Vehicle; and
        3. in relation to any Personnel the Franchisee employs or engages in relation to the Franchised Business.
6. NOTICES
   1. FORM OF NOTICE
      1. A notice or other communication to a party under this agreement must be:
         1. in writing and in English; and
         2. addressed to that party to the postal or email address.
   2. HOW NOTICE MUST BE GIVEN
      1. A notice must be given by one of the methods set out in the table below and is regarded as given and received at the time set out in the table below.

| 1. Method | 1. When Notice is regarded as given and received |
| --- | --- |
| By hand | On delivery |
| By pre paid post in the same country | On the third Business Day after the date of posting |
| By pre paid post in another country | On the fifth Business Day after the date of posting by airmail |
| By email to the nominated email address | Unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee’s domain specified in the email address, 24 hours after the email was sent. |

* 1. SOLICITOR MAY GIVE NOTICE
     1. Any notice under this Agreement may be given and signed by a solicitor for the Party giving the notice.

1. Force Majeure
   * + 1. In this clause 72 the following words have the following meaning:

|  |  |
| --- | --- |
| 1. Affected Party | means a Party affected by a Force Majeure Event. |
| 1. Force Majeure Event | means any:   * 1. act of God, lightning strike, earthquake, storm, flood, landslide, explosion or fire;   2. strikes or other industrial action outside of the control of the Affected Party;   3. war, terrorism, sabotage, blockade, revolution, riot, insurrection, civil commotion, epidemic, pandemic; or   4. any decision of a government authority in relation to COVID-19, or any threat of COVID‑19 beyond the reasonable control of the Affected Party. |

* + - 1. If an Affected Party becomes unable, wholly or in part, to carry out an obligation under this Agreement (other than an obligation to pay money) due to a Force Majeure Event, the Affected Party must give to the other Party prompt written notice of:
         1. reasonable details of the Force Majeure Event; and
         2. so far as is known, the probable extent to which the Affected Party will be unable to perform or be delayed in performing its obligation.
      2. Subject to compliance with clause 67(b), the relevant obligation will be suspended during the Force Majeure Event to the extent that it is affected by the Force Majeure Event.
      3. The Affected Party must use its best endeavours to overcome or remove the Force Majeure Event as quickly as possible.

1. GENERAL
   1. GOVERNING LAW AND JURISDICTION
      * 1. This Agreement is governed by the law applying in New South Wales, Australia.
        2. The Parties agree that any dispute either referred to mediation or brought before a court must be referred to a mediator or the courts of the State or Territory in which the Territory is located.
   2. AMENDMENTS
      1. This Agreement may only be amended in accordance with a written agreement between the Parties.
   3. WAIVER
      * 1. If the Franchisor fails to exercise a power, right or remedy under this Agreement, it does not operate as a waiver of that power, right or remedy.
        2. No waiver is effective unless it is in writing.
        3. Termination of this Agreement shall not prejudice any other rights and remedies the Franchisor may have under this Agreement or any Related Agreement.
   4. SEVERANCE
      1. Any term of this Agreement which is wholly or partially void or unenforceable is severed to the extent that it is void or unenforceable. The validity and enforceability of the remainder of this agreement is not limited or otherwise affected.
   5. ASSIGNMENT
      1. A party cannot assign, novate or otherwise transfer any of its rights or obligations under this agreement without the prior written consent of the other party.
   6. COUNTERPARTS
      1. This Agreement may be executed in any number of counterparts. Each counterpart constitutes an original of this Agreement and all together constitute one agreement.
   7. ENTIRE AGREEMENT
      1. This Agreement embodies the entire agreement between the Parties and supersedes any prior negotiation, conduct, arrangement, understanding or agreement, express or implied, in relation to the subject matter of this Agreement.
   8. FURTHER ASSURANCES
      1. All Parties agree that they will sign any other documents or do any other thing necessary to give full effect to this Agreement, even if it is not specifically mentioned in this Agreement.
   9. NON-MERGER
      1. Any of the obligations which are expressly or by their nature intended to survive the termination or expiry of this Agreement, will continue despite termination of this Agreement or this Agreement otherwise coming to an end.
   10. AUTHORITY TO DATE & COMPLETE
       1. The Franchisee authorises the Franchisor and the Franchisor’s solicitors to date and complete any particulars in this Agreement which are not already completed.
   11. BINDING EFFECT
       1. This Agreement shall be binding upon and shall inure for the benefit of the Parties to this Agreement and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.
2. RULES FOR INTERPRETATION
   * + 1. In this Agreement, unless contrary to or inconsistent with the context:
          1. words importing the singular include the plural and vice versa;
          2. reference to a
          3. a reference to a party or person includes a reference to that party or person, its successors, substitutes (including, but not limited to, a party or person taking by novation), executors, administrators and assigns;
          4. the word “person” includes a corporation and vice versa;
          5. a reference to a group of persons or parties is a reference to any two or more of them jointly and to each of them individually;
          6. a covenant, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally;
          7. a covenant, representation or warranty on the part of two or more persons binds them jointly and severally;
          8. a reference to this Agreement or other document includes any variation, novation or replacement of, or supplement to, any of them from time to time;
          9. a reference to this Agreement where applicable also includes any Related Agreement;
          10. a reference to a clause means a reference to a clause of this Agreement;
          11. where any clause contains sub-clauses, paragraphs or sub-paragraphs, each sub-clause, paragraph and sub-paragraph however called will be read and construed separately and independently of each other;
          12. a reference to a document includes any Agreement in writing, certificate, notice or other instruction of any kind;
          13. “writing” and related expressions include all means of reproducing words in a tangible and permanently visible form, including by email;
          14. headings are inserted for guidance only and do not affect the interpretation of this Agreement;
          15. currency or ‘$’ or ‘dollars’ means and refers to the currency of Australia unless otherwise indicated; and
          16. any annexure or schedule attached to this Agreement forms part of it. If there is any inconsistency between any clause of this Agreement and any provision in any schedule, annexure or attachment to this Agreement, the clause of this Agreement will prevail.
       2. If a party consists of more than one (1) person, this Agreement binds each of them separately and any two (2) or more of them jointly.
       3. An obligation, representation or warranty in favour of more than one (1) person is for the benefit of them separately and jointly.
3. DEFINITIONS
   * 1. Capitalised terms used in this Agreement will have the meanings set out in Schedule 1.
4. Dictionary

|  |  |
| --- | --- |
| 1. Additional Term | means the period that begins on the Expiry Date and continues for the number of years as set out in item 9 of the Key Items. |
| 1. Agreement | means this document, including Annexure A to Annexure K and any other attachments to it. If this document is varied, then it also includes any variation. |
| 1. Approved Products | means the items as specified in the Manuals that the Franchisee may sell at the Franchised Business and includes the product itself, any labelling and any packaging, wrappings, covering or similar. |
| 1. Approved Gardening Services | means the gardening services as specified in Item 15 of the Key Items and in the Manuals from time to time as being approved for provision in the Franchised Business. |
| 1. Approved Pest Control Services | means the pest control services as specified in Item 15 of the Key Items and in the Manuals from time to time as being approved for provision in the Franchised Business. |
| 1. Approved Services | means the franchised services approved in Item 15 of the Key Items and detailed in the Manuals that the Franchisee is approved to conduct in accordance with the terms of this Agreement |
| 1. Approved Suppliers | means suppliers that have been approved by the Franchisor and as specified in the Manuals. The approved suppliers may include the Franchisor and its Associates. As of the end of the last Tax Year, the Approved Suppliers are: A2Z Services. |
| 1. Asset | means any fixtures, fittings, Approved Products, items used for the provision of the Approved Services, promotional material, Equipment and any other assets of the Franchised Business. |
| 1. Associate | has the same meaning as it does in the Franchising Code. |
| 1. Australian Privacy Principles | has the same meaning as it does in the *Privacy Act 1988* (Cth). |
| 1. Bankruptcy Act | means the *Bankruptcy Act* *1966* (Cth). |
| 1. Business Day | means any day on which banks in New South Wales are open for trading except Saturdays and Sundays. |
| 1. Business Name | means the name under which the Franchisee operates the Franchised Business. The business name is comprised of the words “A2Z Services Pty Limited” and the name given to the Territory. The business name is set out in item 14 of the Key Items. |
| 1. Claim | means actions, obligations, sums of money, causes of action, accounts, costs, charges, expenses, claims and demands at law or in equity or statute. |
| 1. Commencement Date | means the date the Franchisee must commence trading at the Franchised Business. The Commencement Date is set out in item 10 of the Key Items. |
| 1. Competition Restraint and Confidentiality Deed | means a deed in the form set out in Annexure G, or in a form as otherwise stipulated by the Franchisor from time to time. |
| 1. Confidential Information | means any information which by its nature is confidential, any information relating to the Franchisor, the Franchised Business, the Franchise Network, the Image and Intellectual Property, which is not available in the public domain. |
| 1. Connection | means the present or future phone, mobile, fax, other telecommunication services, internet services and their related services supplied by a Connections Provider and used in connection with the Franchised Business. |
| 1. Connections Provider | means all present or future phone or mobile carriers, providers of telecommunication services, internet service providers or any other service provider which provides Connections. |
| 1. Contract Date | means the date this Agreement is signed and comes into effect. The Contract Date is set out in item 6 of the Key Items. |
| 1. Core Business Hours | means:   * 1. those trading hours as specified in the Manuals from time to time;   2. those trading hours required by any Lease;   3. if the Premises are located within a retail shopping centre, meeting or exceeding the hours of trade of that retail shopping centre; or   4. if the Premises are located anywhere else other than in a retail shopping centre, all reasonable hours as directed by the Franchisor from time to time. |
| 1. Comprehensive Insurance | means insurance covering damage or loss to the Vehicle and damage it causes to other people's property, when the driver of the Vehicle is partly or fully at fault for an accident. |
| 1. Costs | means any reasonable cost, charge, expense, outgoing, payment or other expenditure of any nature, and includes but is not limited to, Legal Costs, fees and disbursements payable to contractors and consultants. |
| 1. CPI | means the Consumer Price Index number published by the Australian Bureau of Statistics under the heading Brisbane (All Groups). |
| 1. Customer | means any past, present or potential customers of the Franchised Business. |
| 1. Customer Database | means any database of names, listing and contact details (being telephone numbers (including mobile phone number), residential and business addresses, and email addresses) of Customers who have approached the Franchisee for Approved Services or with whom the Franchisee has dealt with in the course of running the Franchised Business and which may be collected through the Electronic Equipment and Software. |
| 1. Damages | means any cost, loss, expense, or financial hardship of any nature. |
| 1. Default Rate of Interest | means a rate of interest 5% above the Reserve Bank of Australia cash rate at the time of the relevant breach. |
| 1. Disclosure Document | means the disclosure document provided by the Franchisor to the Franchisee in accordance with the Franchising Code. |
| 1. Dispose | means, in relation to a Share, entering into a transaction in relation to the Share (or any interest in a Share) which results in a person other than the registered holder of the Share:   * 1. acquiring any legal or equitable interest in the Share, including an equitable interest arising from a declaration of trust, an agreement for sale and purchase or an option agreement or an agreement creating a charge or other interest in the Share;   2. acquiring any right to receive directly or indirectly any dividends payable in respect of the Share;   3. acquiring any rights of pre-emption, first refusal or like control over the sale, transfer, assignment or otherwise disposal of the Share;   4. acquiring any rights of control over the exercise of any voting rights or rights to appoint directors attaching to the Share; or   5. otherwise acquiring legal or equitable rights against the registered holder of the Share which have the effect of placing the person in the same position as if the person had acquired a legal or equitable interest in the Share. |
| 1. Documentation Fee | means the amount which the Franchisee must pay to the Franchisor for the Franchisor to prepare this Agreement and any other documents associated with granting of the Franchised Business. The amount of the documentation fee is set out in item 16 of the Key Items. |
| 1. Electronic Equipment and Software | means the point of sales system, computer system and any other information technology equipment as well as the software including software provided as a service required to be used in the Franchised Business as set out in the Manuals from time to time. |
| 1. Equipment | means all equipment required to be used in the Franchised Business as set out in the Manuals from time to time. |
| 1. Event of Default | means any event or circumstance described in clauses 45.2 or 54.3. |
| 1. Expiry Date | means the date this Agreement comes to an end. The expiry date is set out in item 7 of the Key Items. |
| 1. Financial Accounts | mean the profit and loss statement and balance sheet, business activity statement and tax account statements of the Franchised Business. |
| 1. Fit Out | means the:   * 1. furnishing of the Premises with the appearance, design and decoration which complies with the then current Image; and   2. installation of any fixtures, fittings, materials and any other Equipment in accordance with the Floorplan for the operation of the Franchised Business. |
| 1. Fit Out Estimate | means the estimate of the cost of the initial Fit Out and as set out in Annexure C. |
| 1. Floorplan | means a diagram setting out, to approximate scale, how the Franchised Business is to be arranged and presented. The floorplan will include details of where fixtures, fittings, materials and any other Equipment are to be placed on the floor of the Premises. |
| 1. Fortnight | means fourteen (14) consecutive days beginning on a Monday and ending on Sunday. |
| 1. Franchise | means the name given to the rights which the Franchisor grants to franchisees to conduct a business in accordance with the Franchisor’s established business format. |
| 1. Franchise Fee | means the amount the Franchisee is required to pay the Franchisor for the grant of a Franchise to operate the Franchised Business. The amount of the Franchise Fee is set out in item 17 of the Key Items. |
| 1. Franchise Network | means the collective group of franchisees, the respective Guarantors (where applicable), and any other persons including the Franchisee, the Guarantor, the Franchisor and its Associates (where applicable) who are directly involved in the operation of a Franchise. |
| 1. Franchised Business | means the business operated by the Franchisee which involves offering the Approved Services in accordance with the Manuals, under the Business Name and pursuant to the terms of this Agreement. For the avoidance of doubt and the purposes of this Franchisee Agreement, it does not include gardening or cleaning services offered to other franchisees of A2Z Services. |
| 1. Franchisee | means the person named in item 2 of the Key Items. |
| 1. Franchising Code | means the Franchising Code of Conduct as set out in the *Competition and Consumer Act 2010* (Cth) or any other code of conduct substantially in the form of, or which has a similar effect to, the Franchising Code of Conduct. |
| 1. Franchisor | means the person named in item 1 of the Key Items. |
| 1. Gross Income | means all income and remuneration received or receivable by the Franchisee in relation to the conduct of the Franchised Business and:   * 1. includes any proceeds received by the Franchisee as result of any insurance payments made as a result of an interruption of the Franchised Business and any promotional fees, commissions or other income received from any suppliers of products or services; and   2. excludes the gross amount of GST included in prices charged or chargeable, and any sales credits such as the sale price of any products returned by a Customer where cash or allowances have been refunded or made to the Customer. |
| 1. GST | means any tax, levy, charge or impost implemented under the GST Act. |
| 1. GST Act | means *A New Tax System (Goods and Services Tax) Act 1999* (Cth). |
| 1. Guarantor | means a guarantor under this Agreement and means the person or those persons named in Item 4 of the Key Items. |
| 1. Image | means the Franchisor’s distinctive image, appearance and presentation created or prescribed for the operation of the Franchised Business as specified in the Manuals or otherwise, and as modified by the Franchisor from time to time. The image includes, but is not limited to, names, trade marks, specified designs and colour schemes, logos, signs, layouts, fixtures and fittings, fit out, floorplans and the general appearance of a Franchise business, equipment, uniforms, documentation and procedures and promotional material. |
| 1. Information Statement | means the document as set out in Annexure 2 of the Franchising Code, and as required to be provided to the Franchisee in accordance with the Franchising Code. |
| 1. Intellectual Property | includes but is not limited to:   * 1. the system by which the Franchisor promotes and offers the Approved Services;   2. registered and unregistered rights in relation to any copyright, trade marks (including the Trade Marks), designs and any other intellectual property subsisting in the Franchisor’s name and logo;   3. the Manuals and any other related manuals or materials;   4. the Franchisor’s Image;   5. the Franchisor’s corporate identity;   6. the Business Name, and the words ‘A2Z Services’;   7. the Confidential Information including confidential memos or other communications distributed by the Franchisor;   8. all inventions and discoveries made by the Franchisor, the Franchisee or other Franchises in the Franchise Network;   9. the Website or such other domains and websites owned or controlled by the Franchisor from time to time which are used by the Franchise Network;   10. any material in any form, whether electronic or print used for marketing, advertising or any other form of promotion of the Franchise Network;   11. the Franchisor’s social media pages and sites, including without limitation, Facebook, Twitter, LinkedIn and Instagram, owned or controlled by the Franchisor from time to time which are used to promote the Franchise Network;   12. any technology used or developed by the Franchisor; and   13. any patents, designs, trade secrets, know-how, and goodwill in connection with a Franchise and other intellectual and industrial property of all kinds owned, used or licensed by the Franchisor. |
| 1. Key Items | means the page entitled “Key Items”. |
| 1. Landlord | means the lessor of the Premises.The lessor of the Premises in some cases may be the Franchisor or its Associates. |
| 1. Landlord’s Costs | means any charges, fees, expenses, outgoings, payments or other expenditure, including Legal Costs and fees payable to contractors and consultants actually paid or payable by the Landlord. |
| 1. Lead | has the same meaning set out in clause 21. |
| 1. Lease | means the agreement entered into with the Landlord for the right to occupy and use the Premises to operate the Franchised Business. |
| 1. Legal Costs | means, in relation to a party, all fees, costs and disbursements actually paid or payable by the party to that party’s own legal representatives incurred by the party in connection with a demand, action, arbitration or other proceeding (including mediation, compromise, out-of-court settlement or appeal). |
| 1. Licences | means the licences, qualifications, permits, and registrations required to operate an Approved Service with A2Z Services Franchise as set out in the Manuals. |
| 1. Licence Agreement | means the agreement between the Franchisee and the Franchisor or its Associates for the right to occupy and use the Premises in circumstances where the Franchisor or its Associates are the lessee on the Lease or the Landlord on the Lease. |
| 1. Territory | means the geographical area in which the Premises must be located, and where local marketing must be conducted. The name of the Territory is described in item 13 of the Key Items and a description and the boundaries of the Territory are set out in Annexure B. |
| 1. Total Jobs | means the total aggregate amount of work undertaken between the Customer and the Franchisee per A2Z Service. |
| 1. Local Marketing Expenditure | means the minimum amount the Franchisee is required to spend to promote the Franchised Business in the Territory. The amount of the Local Marketing Expenditure is set out in item 23 of the Key Items. |
| 1. Manuals | means the documents that contain some of the procedures and standards that the Franchisor prescribes for operating the Franchised Business, and in particular, the Approved Service as selected in Item 15. |
| 1. Marketing Fund | means the promotional fund established or to be established and administered by the Franchisor for the purpose of promoting the Franchise Network. The amount of the Marketing Fund Contribution is set out in Item 24 of the Key Items. |
| 1. Minimum Performance Criteria | means the minimum levels of performance that the Franchisee is expected to achieve and is set out in item 28 of the Key Items and the Manuals as updated by the Franchisor from time to time. The minimum performance criteria may be based on Gross Income or other criteria as reasonably determined by the Franchisor. |
| 1. Month | means a calendar month beginning on thefirst day and ending on the last day of that calendar month. |
| 1. Monthly Gross Income | means the Gross Income of the Franchised Business for each Month, calculated on a weekly basis. |
| 1. Opening Promotional Campaign | means a promotional campaign that to promote the Franchised Business prior to the Commencement Date. |
| 1. Opening Promotional Fee | means the amount the Franchisee is required to pay the Franchisor for assisting the Franchisee to develop the Opening Promotional Campaign. The amount of the Opening Promotional Fee is set out in Item 22 of the Key Items. |
| 1. Parties | means the Franchisor, the Franchisee, the Guarantors and any other person who becomes bound by this Agreement as additional guarantor, by assignment or otherwise. |
| 1. Personnel | means any persons engaged, appointed or employed by the Franchisee, including the Responsible Manager, individuals, employees, agents and contractors. |
| 1. Premises | means the site from which the Franchised Business is operated and which is located within the Territory. Details of the premises are set out in item 11 of the Key Items. |
| 1. Premises Criteria | means the set of criteria which the Franchisor applies when selecting a Premises. The premises criteria is set out in Item 12 of the Key Items or as otherwise specified in the Manuals from time to time. |
| 1. Privacy Laws | means all Commonwealth, State and Territory legislation, principles, industry codes and policies relating to the collection, use, disclosure, storage or granting of access rights to personal information including, but not limited to, the *Privacy Act 1988* (Cth) (including the Australian Privacy Principles). |
| 1. Project Management Fee | is the amount the Franchisee is required to pay the Franchisor for organising and overseeing the Fit Out and for providing the Franchisee with assistance to plan and design the Floorplan. The Franchisee is also required to pay the Project Management Fee if the Franchisee relocates the Premises or is required to conduct additional Fit Out. The amount of the Project Management Fee is set out in item 20 of the Key Items. |
| 1. Quarter | means each consecutive period of three (3) Months during a Tax Year, the first of which commences on 1 July. |
| 1. Quarterly Gross Income | means the Gross Income of the Franchised Business for each Quarter. |
| 1. Related Agreement | means any agreement between the Franchisor or its Associates and the Franchisee in connection with the Franchised Business, including but not limited to:   * 1. a Lease or a Licence Agreement or any other agreement conferring a right to use and occupy the Premises;   2. any agreement in connection with the Approved Services, including but not limited to trading terms;   3. any agreement relating to a guarantee or indemnity as contemplated by this Agreement; and   4. any agreement that places a restriction on the Franchisee, Guarantor and Responsible Manager to provide similar goods and services to those provided by the Franchised Business. |
| 1. Renewal Fee | means the amount the Franchisee is required to pay the Franchisor if the Franchisee renews the Franchised Business. The amount of the renewal fee is set out in item 26 of the Key Items. |
| 1. Restraint Area | means the geographic limit of the restraint applicable in accordance with clause 50. The extent of the restraint area is set out in item 29 of the Key Items. |
| 1. Restraint Period | means the time period of the restraint applicable in accordance with clause 50. The length of the restraint period is set out in item 30 of the Key Items. |
| 1. Retainable Reasonable Expenses | means the amount the Franchisor may retain to cover the Franchisor’s reasonable expenses if the Franchisee decides not to enter into this Agreement. The amount of the retainable reasonable expenses is set out in Item 32 of the Key Items. |
| 1. Royalty Fee | means the amount the Franchisee is required to pay the Franchisor for the ongoing right to use the Intellectual Property. The amount of the royalty fee is set out in clause 7 of this Agreement. |
| 1. Security Retention Amount | means the amount the Franchisee must pay to the Franchisor when the Franchisee Transfers the Franchised Business or when this Agreement comes to an end. The security retention amount will be held by the Franchisor in accordance with clause 49. The amount of the security retention amount is set out in item 31 of the Key Items. |
| 1. Serious Offence | has the same meaning as it does in the Franchising Code. |
| 1. Share | means any share, unit or financial interest in a:   * 1. corporation;   2. partnership;   3. trust; or   4. any other legal entity which allows ownership to be held as a divisible part. |
| 1. Site Selection Fee | means the amount the Franchisee is required to pay the Franchisor for providing the Franchisee with assistance to locate, inspect and assess the suitability of any proposed Premises. The amount of the site selection fee is set out in item 19 of the Key Items. |
| 1. Social Media Accounts | means any online accounts, pages and websites that are associated with any social media platform. |
| 1. Statement of Solvency | means a statement that declares that there are reasonable grounds to believe the Franchisee will be able to pay the Franchisee’s debts as and when they fall due, as the Franchisor may require under clause 35.1. |
| 1. Responsible Manager | means the person appointed in accordance with clause 23. The Responsible Manager for the Franchised Business is the person named in item 23 of the Key Items. |
| 1. Tax Year | means the period of twelve (12) Months that begins on 1 July in one year and ends on 30 June in the following year. |
| 1. Term | means the period, which begins on the Contract Date and ends on the Expiry Date. The initial term of the Franchised Business is set out in item 8 of the Key Items. As relevant it also refers to:   * 1. the Additional Term; or   2. the Term and the Additional Term. |
| 1. Trade Marks | means the marks shown in Annexure E of this Agreement and any other logos or symbols that the Franchisor may introduce from time to time. |
| 1. Training Fee | means the amount the Franchisee is required to pay the Franchisor for the Franchisee’s initial training in accordance with clause 37.1. The amount of the training fee is set out in item 18 of the Key Items. |
| 1. Transfer | means any action, promise, undertaking, agreement or otherwise to:   * 1. sell;   2. transfer ownership of;   3. assign; or   4. Dispose Shares in,   the Franchised Business, and shall include, for the avoidance of doubt, any changes to the identities of persons holding Shares in the Franchised Business. |
| 1. Transfer Fee | means the amount the Franchisee is required to pay the Franchisor on Transfer of the Franchised Business. The amount of the Transfer Fee is set out in item 27 of the Key Items. |
| 1. Trust | means the trust which the Franchisee (either in its personal capacity or as a corporation) is the Trustee of and that was created by the Trust Deed. If applicable, the name of the trust is set out in item 3 of the Key Items. |
| 1. Trust Deed | means the deed in respect of the Trust. |
| 1. Trustee | means the party that acts as the Trustee of the Trust, as created by the Trust Deed. If applicable, the name of the Trustee is set out in item 3 of the Key Items. |
| 1. Warranties and Special Conditions Schedule | means the warranties and special conditions as set out in Annexure A of this Agreement. |
| 1. Website | means the website operated by the Franchisor or the Franchise Network at <https://www.a2zgroup.net.au/> |
| 1. Week | means seven (7) consecutive days beginning on a Monday and ending on Sunday. |

**EXECUTED** as an Agreement

|  |  |  |
| --- | --- | --- |
| **EXECUTED** for and on behalf of **A2Z SERVICES (FRANCHISE) PTY LTD** in accordance with section 127 of the  *Corporations Act 2001* (Cth): | )  )  )  ) |  |
|  |  |  |
|  |  | Signature of Director |
|  |  |  |
|  |  | Michael de Jong |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **SIGNED** by Click or tap here to enter text.  in the presence of: | )  )  )  )  )  )  )  )  )  ) |  |
|  |  |
| Signature of Witness | Franchisee |
|  |  |
| Name of witness - please print |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **SIGNED** by Click or tap here to enter text.  in the presence of: | )  )  )  )  )  )  )  )  )  ) |  |
|  |  |
| Signature of Witness | Franchisee |
|  |  |
| Name of witness - please print |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **SIGNED** by Click or tap here to enter text.  in the presence of: | )  )  )  )  )  )  )  )  )  ) |  |
|  |  |
| Signature of Witness | Guarantor |
|  |  |
| Name of witness - please print |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **SIGNED** by Click or tap here to enter text.  in the presence of: | )  )  )  )  )  )  )  )  )  ) |  |
|  |  |
| Signature of Witness | Guarantor |
|  |  |
| Name of witness - please print |  |  |
|  |  |  |

1. Warranties and Special Conditions Schedule

[The following special conditions form a part of this Agreement. In the event of any inconsistency between the special conditions and the foregoing provisions of this Agreement, then the special conditions shall prevail.]

1. Click or tap here to enter text.
2. Territory

**The area within the following Local Government Areas of [State] as delineated at the date of this Agreement:**

* Names of Local Government Areas:
  + Click or tap here to enter text.
* Suburbs located in the Territory:
  + Click or tap here to enter text.
* Postcodes located in the Territory:
  + Click or tap here to enter text.
* Territory Map:

Please refer to https://a2zgroup.net/of0046/

(Note suburb names and postcodes are for guidance only. Local Government Areas are to be used to determine the actual boundaries of the Territory).

1. Fit Out Estimate (If Applicable)
2. Equipment List

**Marketing Material**

| Item | Quantity |
| --- | --- |
| **Marketing Material** | |
| Magnets |  |
| Long Sleeve Shirts |  |
| Caps |  |
| Initial Digital Splash Campaign |  |

**Pest Control Services**

| Item | Quantity |
| --- | --- |
| **General Pest Equipment** | |
| Bulb Duster |  |
| Power Duster |  |
| 12v Pump |  |
| Hose Reel |  |
| chemical Tank 200L |  |
| Spill Kit |  |
| Hose 12mm |  |
| 43 Gun |  |
| Adjustable Cone nozzle |  |
| Flash Light |  |
| Cordless Power Tool Kit |  |
| Canopy & Fit out |  |
| Electrical Setup:  12V Anderson plug to vehicle, 1000W Inverter, Battery, solar Charger, 240V Charger, DCDC Charger, 12V Phone charger socket, Lights, Flashing Lights on roof |  |
| Water System Setup |  |
| Sign Writing |  |
| Backpack Sprayer |  |
| **Termite** | |
| Moisture Meter |  |
| Inspection Donger |  |
| Hammer Drill |  |
| Slab Injector |  |
| Slab Injector cork |  |
| Termite duster |  |
| **Consumables** | |
| Concrete Plugs |  |
| 12mm SDS Drill Bit |  |
| Wood Auger Bit |  |
| Treatment Stickers |  |
| Termite Stickers |  |
| Rodent Bait Stickers |  |
| Biflorce 200SC - 5lt |  |
| Amdro |  |
| Ant Café |  |
| Chaindrite Aerosol |  |
| Del Force - 1lt |  |
| FipForce - 5lt |  |
| Fipforce Dust |  |
| Glue Boards |  |
| Rodent Stations |  |
| Ditrac |  |
| **PPE** | |
| Respirator |  |
| Overalls |  |
| Nitrel Gloves |  |
| Knee Pads |  |

**Gardening Services**

| Item | Quantity |
| --- | --- |
| **General Gardening Equipment** | |
| Push Mower |  |
| Battery Line Trimmer |  |
| Battery Hedger |  |
| Battery Blower |  |
| Lawn Rake (Plastic) |  |
| Landscape Rake (Metal) |  |
| Shovel |  |
| Hedge Shears |  |
| Garden Secateurs |  |
| Bow Saw |  |
| Garden Fork |  |
| Mattock |  |
| Hand Loppers |  |
| Sprayer |  |
| Battery Charger |  |
| Additional Batteries 2.4A |  |
| **PPE** | |
| Earmuffs |  |
| Dust Masks |  |
| Safety Glasses |  |
| Face Shield |  |
| **Consumables** | |
| Whipper snip Line |  |

**Cleaning**

| Item | Quantity |
| --- | --- |
| **General Cleaning Equipment** | |
| 1L Chamber Bottles |  |
| 750ml Spray Bottles |  |
| 750Ml Squeeze Bottles |  |
| Backpack Vacuum |  |
| Mop Bucket and Handle |  |
| Soft Broom |  |
| Dustpan and Brush |  |
| Cobweb Broom |  |
| Small Bucket |  |
| 3 Step Ladder |  |
| Paint Scrapper |  |
| Paint Brush |  |
| Window Squeege |  |
| **PPE** | |
| Box of Gloves |  |
| PVC Gloves |  |
| Safety Glasses |  |
| **Consumables** | |
| 76l Garbage Bags |  |
| 36L Garbage bags |  |
| Disinfectant |  |
| Bathroom and Toilet Cleaner |  |
| Glass Cleaner |  |
| Acid Cleaner |  |
| Cloths |  |
| Mop Heads |  |

1. Trade Marks

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Trade mark** | **Class** | **Filing date** | **Registration number** | **Place of registration** |
| A2Z Services | 35, 37, 44 | 29 August 2022 | 2295189  Status: Awaiting examination | Australia |
| Logo, company name  Description automatically generated | 35, 37, 44 | 29 August 2022 | 2295189  Status: Awaiting examination | Australia |

1. ASIC Business Name Authority

To: A2Z Services

* + 1. 1765 Davidson Road, Munro Plains, QLD 4854

The Franchisee, Click or tap here to enter text. ACN Click or tap here to enter text., and Guarantors Click or tap here to enter text. hereby irrevocably nominate and authorise you, your affiliates, Personnel and servants to act as our agent in all dealings with the Australian Securities and Investment Commission (ASIC) for the purpose of registering, renewing, amending, transferring or cancelling the Business Name as defined and noted in the Franchise Agreement.

1. We confirm that you will have the power to do all or any of the following acts, matters and things at any time, in the manner and upon such terms and conditions as you deem appropriate, necessary or desirable for the operation, management and conduct of the Business Name, including, but not limited to:
   1. registering an ASIC Connect Account on behalf of the Franchisee, including, but not limited to, advising ASIC of the Franchisee’s Australian Business Number as advised at clause 2 of this authority;
   2. submit the Franchisee’s Australian Business Number;
   3. requesting and obtaining ASIC keys from ASIC directly;
   4. registering the Business Name under the terms and conditions of the ASIC Electronic Lodgement Protocol for a period of three (3) years;
   5. renewing the Business Name as appropriate;
   6. amending any necessary details to the Business Name;
   7. cancelling or transferring the Business Name pending the expiration or determination of our Franchise Agreement; and
   8. incur fees on behalf of the Franchisee and recover same via direct debit.
2. We advise/confirm that the Franchisee’s Australian Business Number (ABN) for the purposes of registering the Business Name is ABN Click or tap here to enter text. or will be provided to the Franchisor within 7 days of executing this Agreement.

|  |  |  |
| --- | --- | --- |
| **SIGNED** by Click or tap here to enter text.  in the presence of: | )  )  )  )  )  )  )  )  )  ) |  |
|  |  |
| Signature of Witness | Franchisee |
|  |  |
| Name of witness - please print |  |  |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **SIGNED** by Click or tap here to enter text.  in the presence of: | )  )  )  )  )  )  )  )  )  ) |  |
|  |  |
| Signature of Witness | Guarantor |
|  |  |
| Name of witness - please print |  |  |

|  |  |  |
| --- | --- | --- |
|  |  |  |

1. Competition Restraint & Confidentiality Deed

**THIS DEED** made the Click or tap here to enter text. day of Click or tap here to enter text. 20 Click or tap here to enter text.

**BY** The person or persons named in the Schedule here to

**IN FAVOUR OF** Click or tap here to enter text. ACN/ABN: Click or tap here to enter text. (“**the Franchisee**”)

**We, the Covenantor HEREBY COVENANT in favour of the Franchisee and the Franchisor and any successor (whether by transfer/ assignment or new Franchise Agreement) to the Franchisee as follows:**

* + 1. Definitions

|  |  |
| --- | --- |
| 1. Franchised Business | means the The Approved Services of Click or tap here to enter text. franchise business operated by the Franchisee. |
| 1. Franchise Agreement | means the Franchise Agreement or any further Franchise Agreement entered into by the Franchisee and the Franchisor. |
| 1. Franchisee | means Click or tap here to enter text. |
| 1. Franchisor | Means A2Z Services. |
| 1. Involved | means, for the purpose of clauses (a) and (a), involved in any capacity including as a sole trader, partner, shareholder, agent, joint venturer, director, consultant, contractor or employee. |
| 1. Restraint Area | means:   * 1. the whole of Australia; or if that is unenforceable   2. the State or Territory of Australia in which the Territory is located; or if that is unenforceable   3. any Territory in which the Franchisor has granted a franchise; or if that is unenforceable   4. the Territory. |
| 1. Restraint Period | means:   * 1. twenty four (24) months following the termination of the Franchise Agreement; or if that is unenforceable   2. twelve (12) months following the termination of the Franchise Agreement; or if that is unenforceable   3. six (6) months following the termination of the Franchise Agreement; or if that is unenforceable   4. three (3) months following the termination of the Franchise Agreement; or if that is unenforceable   5. twelve (12) Months following cessation of the Covenantor’s employment; or if that is unenforceable   6. six (6) Months following cessation of the Covenantor’s employment; or if that is unenforceable   7. three (3) Months following cessation of the Covenantor’s employment. |
| 1. Territory | means the area described in Annexure B, being the exclusive area in which the Franchised Business is carried on. |

* + 1. Covenant not to compete during the term of the Franchise Agreement

The Covenantor shall not during the term of the Franchise Agreement:

be Involved with any business, activity or undertaking which is similar to the Franchised Business or provides similar goods or services within the Territory, within any Territory in which another to A2Z Services compete directly or indirectly with the A2Z Services network;

solicit the custom of any customer of the Franchised Business or the A2Z Services network; or

solicit the skills or knowledge of any employee of the A2Z Services network.

* + 1. Restraints after expiry of termination of the Franchise Agreement

The Covenantor covenants, that during the Restraint Period and within the Restraint Area, the Covenantor will not be Involved with any business, activity or undertaking which is similar to the Franchised Business or provides similar goods or services.

The Covenantor covenants that the Covenantor will not for the Restraint Period and the Restraint Area:

solicit, or attempt to solicit, canvass, approach or accept any approach from any person or organisation who was at any time during the period of the Franchise Agreement, a client or customer of the Franchisee or the A2Z Services network; or

solicit, employ or engage services of any employee of the Franchisor or other members of the A2Z Services network.

Clauses (a) and (b) will be read as if each Restraint Period were combined with each Restraint Area to create separate and discreet clauses each being severable from the others. If any combination is taken to be invalid or unenforceable it will be omitted from this Deed without effecting the other combinations.

The Covenantor acknowledges that the prohibitions and restrictions contained in clauses (a) and (b) are important to protect the legitimate goodwill of the Franchisee and the Franchisor and are reasonable given the nature of the Franchised Business and the unique systems and procedures imparted to the Covenantor as part of the training and support by the Franchisee.

Covenantor

Name: Click or tap here to enter text.

Address: Click or tap here to enter text.

Dated this Click or tap here to enter text. day of Click or tap here to enter text. 20 Click or tap here to enter text.             .

**EXECUTED** as a Deed

|  |  |  |  |
| --- | --- | --- | --- |
| **SIGNED, SEALED AND DELIVERED** by **THE COVENANTOR** | | )  ) | Click or tap here to enter text. |
| in the presence of: | |  |  |
|  | |  |  |
| Witness | |  | Signature of Covenantor |
|  |  | |
|  | |  |  |
| Address of Witness (Print) | |  |  |

1. Franchisee’s Statement

**(The Franchisee is required to complete this statement)**

Relevant Documents:

1. Disclosure Document;
2. Information Statement;
3. Franchising Code of Conduct; and
4. Franchise Agreement.

|  |
| --- |
| At least fourteen (14) days before signing the Franchise Agreement, I received, read and have been given a reasonable opportunity to understand the Relevant Documents in accordance with clauses 9 and 10 of the Franchising Code of Conduct. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |

1. Solicitor Statement

***Pursuant to clause 10 of the Franchising Code of Conduct***

**(THE FRANCHISEE’S SOLICITOR MUST COMPLETE PART A AND THE FRANCHISEE MUST COMPLETE PART B**

**OR**

**THE FRANCHISEE MUST COMPLETEPART C)**

|  |  |  |
| --- | --- | --- |
| Solicitor: | Name: | Firm: |
|  | Address: |  |

|  |
| --- |
| **PART A** |
| 1. I am a Solicitor and hold a current practising certificate. |
| 1. I have been instructed by the Franchisee and, where applicable, the Guarantor/s, to advise in regard to the grant of a Franchise. |
| 1. I have explained to the Franchisee and, where applicable, the Guarantor/s, the nature and contents of the Franchise Agreement to which this Certificate is attached. |
| DATED the                             day of                                                           20       . |
| Solicitor |

|  |
| --- |
| **PART B** |
| 1. We have consulted a Solicitor in regard to the grant of a Franchise. |
| 1. We have received from a Solicitor an explanation of the Franchise Agreement to which this Certificate is attached. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |

|  |
| --- |
| **PART C** |
| We have been advised by Click or tap here to enter text. to seek advice about the proposed Franchise Agreement to which this certificate is attached but We have decided not to seek it. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |

1. Accountant Statement

***Pursuant to clause 10 of the Franchising Code of Conduct***

**(THE FRANCHISEE’S ACCOUNTANT MUST COMPLETE PART A AND THE FRANCHISEE MUST COMPLETE PART B**

**OR**

**THE FRANCHISEE MUST COMPLETE PART C)**

|  |  |  |
| --- | --- | --- |
| Accountant: | Name: | Company: |
|  | Address: |  |

|  |
| --- |
| **PART A** |
| 1. I am an accountant/taxation adviser instructed by the Franchisee and, where applicable, the Guarantor/s, to advise in regard to the grant of a Franchise. |
| 1. I have explained to the Franchisee and, where applicable, the Guarantor/s, the investment requirements for and financial risks and likely tax consequences of entering into the Franchise Agreement to which this Certificate is attached. |
| DATED the                             day of                                                           20       . |
| Accountant |

|  |
| --- |
| **PART B** |
| We have consulted our accountant/taxation adviser in regard to the grant of a Franchise and are satisfied as to the explanation received relating to the investment requirements and financial risks of entering the Franchise Agreement to which this Certificate is attached. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |

|  |
| --- |
| **PART C** |
| We have been advised by Click or tap here to enter text. to seek advice about the proposed Franchise Agreement to which this certificate is attached but We have decided not to seek it. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |

1. Business Advisor Statement

***Pursuant to clause 10 of the Franchising Code of Conduct***

**(THE FRANCHISEE’S BUSINESS ADVISOR MUST COMPLETE PART A AND THE FRANCHISEE MUST COMPLETE PART B**

**OR**

**THE FRANCHISEE MUST COMPLETE PART C)**

|  |  |  |
| --- | --- | --- |
| Business Advisor: | Name: | Company: |
|  | Address: |  |

|  |
| --- |
| **PART A** |
| 1. I am a Business Advisor instructed by the Franchisee and, where applicable, the Guarantor/s, to advise in regard to the grant of a Franchise. |
| 1. I have explained to the Franchisee and, where applicable, the Guarantor/s, the investment requirements for and financial risks and likely tax consequences of entering into the Franchise Agreement to which this Certificate is attached. |
| DATED the                             day of                                                           20       . |
| Business Advisor |

|  |
| --- |
| **PART B** |
| We have consulted Our Business Advisor in regard to the grant of a Franchise and are satisfied as to the explanation received relating to the investment requirements and financial risks of entering the Franchise Agreement to which this Certificate is attached. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |

|  |
| --- |
| **PART C** |
| We have been advised by Click or tap here to enter text. to seek advice about the proposed Franchise Agreement to which this certificate is attached but We have decided not to seek it. |
| DATED the                             day of                                                           20       . |
| Franchisee/s |
| Guarantor/s |