

AGREEMENT OF FRANCHISEE

This Agreement of Unit Franchisee executed at _____ on this the
__ day of _____ **2009**

Time English Training Academy having its Office _____ represented ,
Mr. Vikrant S. Kalkundrikar hereinafter referred to in this Agreement as
the Time English Training Academy

AND

_____ a Company having its office at
_____ represented herein by its
_____ hereinafter referred to in this Agreement as the “Franchisee”.

The Terms Company, Franchisee shall wherever the context so permits
mean and include their heirs, legal representatives, successors and assigns.

RECITALS

- a) The Company is involved in Spoken English Training courses like
Essential English, Effective English, Mom Talk, Just4kids , 1st step,
Executive English
- b) The Company promotes and markets its specialized methods of
teaching the above said courses on its own and through its network of
Franchisees all over India.
- c) The Company has resolved to effectively promote and market its
courses by appointing Franchisees all over India.
- d) The Franchisee herein, on knowledge of the same, has approached the
Company and offered to be appointed as the Unit Franchisee of the
Company for teaching Time English Training Academy courses to
students of various age groups and has assured the Company that it
possess the required Finance, infrastructure and motivation, as

required by the Company, to effectively permeate the Company's courses.

- e) The Company on consideration of the offer of the Franchisee has accepted the same and decided to appoint the Franchisee for the Area of _____ on the terms and conditions hereinafter elucidated.
- f) The parties to this Agreement have on consensus-ad-idem agreed to reduce the terms and conditions of this Agreement into writing.

NOW THIS AGREEMENT OF FRANCHISEE WITNESSETH

I. AREA OF FRANCHISEE

This Agreement purports and conveys the Franchisee to operate only in the Area of _____ (within a radius of Three kilometer) as the Franchisee of the Company Time English Training Academy.

II. FINANCIAL TERMS

- A. (i) The Franchisee agrees to pay the Company, a sum of Rs. 1,50,000 (Rupees One Lac Fifty Thousand only) + Service Tax as applicable as Rs.1,00,000 (Rupees One Lac)non- refundable Training fee towards being appointed as the and Rs.50,000(Rupees Fifty Thousand only) Refundable Franchisee for the Area of _____ in the following fashion:

1. Rs. 1,50,000 + service tax vide D.D no. _____ drawn on _____ Bank, _____ dated _____, 2009

- B. The Sharing of Revenue between the Company and Franchisee on various Fee collected from students shall be in the following fashion:
1. Students' Fee:
 - 60% to Franchisee
 - 40% to the Company
- C. The Franchisee understands and agrees that the Company shall have the right, notwithstanding anything to the contrary, to vary without prior notice, the registration fee and monthly or term fee payable by the students and it shall be the sole responsibility of the Unit Franchisee to collect such revised fee from existing / new students of the Course of various levels as and when circumstances warrant the collection of such revised fee on the directions of the Company.

III. TENURE & RENEWAL

- A. The Tenure of this Agreement shall be for a period of 3 years from the date of execution of these presents and can be renewed for a further period of 3 years on payment of 50%of the Franchisee License fee prevailing at that time.
- B. Time shall be the essence of this Agreement.
- C. If either party is desirous of renewing this agreement, it shall give due notice in writing to the other party of not less than 90 days prior to the termination date of its intention to renew this agreement. If within the period of 90 days, the parties do not agree to renew this agreement, this agreement shall stand terminated as at the close of business on the termination date. Provided that any training or course commenced by the Franchisee and not completed on or before the termination date, notwithstanding termination of the agreement, the Franchisee would continue to conduct training in that course to the satisfaction of the Company and the parties shall be bound to observe their agreement herein so far as training for that particular course is concerned.

IV. BANK TRANSACTIONS

All payments shall be collected by the Franchisee only in the name of the Company and Company's share shall be remitted to the Company's account in _____(**BANK NAME**), **A/C No.**_____ or any other Bank Account or Accounts as may be intimated by the Company to the Franchisee from time to time.

VI. CLAIM SETTLEMENTS

- A. The Franchisee agrees that all the payments shall be collected from their students only in the name of the Company "**Time English Training Academy**" and shall be deposited into the Account of the Company as indicated above.

VII. STOCK

- A. The Franchisee shall not use any other course material other than those supplied by the Company.
- B. The requirement for stock shall be in writing from the Franchisee .All Stock indents received from Monday to Wednesday shall be dispatched to the Franchisee in the same week. The Franchisee shall stock at least 50 student kits as stock in their office.
- C. The cost of transportation and courier charges and other related charges, for other materials sent by the Company should be borne by the Company
- D. The Franchisee shall not pay in advance for the student kits required.

VIII. ACCOUNTS & AUDIT

- A. The Franchisee shall allow the authorized personnel of the Company at all reasonable times to inspect the books records reports and register kept by the Franchisee and to use any information contained therein for the benefit of the Company.

- B. The Franchisee shall permit the representatives of the Company to conduct spot checks on the Center(s) in order to ensure that the Franchisee is functioning in compliance to the Company's instructions rules & regulations and as per the directions of the Company.
- C. The Franchisee agrees that the Company or its agents shall have the right to examine and/or audit the Books of Accounts of the Franchisee, to verify the figures reported.
- D. The Company shall be entitled to conduct an internal audit and or due diligence to the accounts and records of the Franchisee in relation to the courses.
- (i) The remuneration payable for such an exercise shall be borne by Company.
 - (ii) The Franchisee shall extend all necessary co- operation to such representative performing internal audit and or due diligence, to enable him to perform his duties.
 - (iii) The Franchisee shall make available to such representative performing internal audit and or due diligence, all its accounts, records and other material relating to the courses. The representative performing internal audit and or due diligence, shall also be entitled to call for the information from the person employed by the Franchisee and if so desired by him, to record their statements.
 - (iv) On receipt of the report of the representative performing internal audit and or due diligence, the Company shall be entitled to address queries to the Franchisee and the Franchisee shall satisfy the Company with regard to the queries raised.
 - (v) If the representative performing internal audit and or due diligence suggested any changes in the mode and maintenance of accounts and records in respect of the business, such suggestions shall be implemented by the Franchisee on the instructions of the Company.
 - (vi) If such Internal Audit/due diligence, discloses any violation of an obligation of the Franchisee under this Agreement, the Company

shall bring the same to the notice of the Franchisee and the Franchisee shall remedy the lapses on the Franchisee's part to the satisfaction of Company forthwith, notwithstanding the Company's right to proceed to take suitable action against the Franchisee for the violation committed.

IX. EVALUATION

- A. The Franchisee shall perform as per the performance Targets set out by the Company from time to time and intimated to the Franchisee.
- B. The Company shall make a periodical review of the Franchisee to ensure that the Franchisee is fulfilling the Performance Targets of the Company and the same may be enhanced by the Company from time to time, based on the Performance of the Unit Franchisee and intimated to the Franchisee.
- C. The Franchisee shall enroll at least 1000 students in the first year.
- D. The Company may lay down, from time to time, aptitude test for admission, project evaluation procedure, forms, norms and methods for test and examination with respect to each course and performance evaluation norms for the Franchisee, which the Franchisee shall adhere to strictly.
- E. The Franchisee shall permit any representative designated by the Company from time to time for the purpose of quality assurance to visit the Franchisee's office and also the Franchisee's Centers. The said representative will:
 - (a) Check standards of academics and projects
 - (b) Check quality of classes and levels of students including students feedback
 - (c) Identify problems and suggest solutions for implementation.

X. GENERAL CLAUSES

- A. The Franchisee assures the Company that all its official and contextual communications shall be addressed solely to the Company.

- B. The Company reserves the right to charge payment for any additional training materials and updates given to the Franchisee from time to time.
- C. The Franchisee at all times shall observe, perform and comply with all instructions, rules and regulation (which may from time to time be varied, added or amended) relating to the management and operation and in appointment of Franchisee for the Area of _____ as regulated by the Company from time to time. Failure on the part of the Franchisee to comply with any of the above shall constitute a breach of the terms of this Agreement.
- D. The Franchisee shall act loyally and faithfully to the Company in all matters, orders and instructions of the Company and / or its authorized representatives and agents and in the absence of any such orders and instructions in relation to any particular matter, to act in the manner most beneficial to the Company's interests.
- E. The Franchisee undertakes not to enter into any Agreement, either directly or indirectly through its family / friends / associates, with any other Company, which operates Spoken English Training and other courses similar to Time English Training Academy.
- F. The Franchisee undertakes to fully promote and market the Company's Courses diligently and to the best of its ability at _____. The Franchisee shall as and when called upon by the Company to do so, supply to the Company reports, returns and other information pertaining to the Franchisee.
- G. The Franchisee agrees that it would ensure strict compliance of the terms of Agreement by its Franchisee and understands that any violation committed by the Franchisee shall be viewed as a breach of this Agreement unless remedied immediately by the Franchisee.
- H. The Franchisee shall only use the stationery supplied by the Company such as application forms, receipt books, fees lists, claim forms etc., and shall not attempt to print its own material other than those used for marketing purposes like pamphlets, leaflets etc.

- I. All technical procedure, activities and other programs of the Franchisee shall be subject to scrutiny and approval of the Company.
- J. In all public records and in its relationship with other persons on its letterheads and business forms, the Franchisee shall indicate that it is a Franchisee of the Company, _____
- K. The Franchisee shall have a first charge on the entire fees collected by the Franchisee from its students.
- L. The Franchisee shall ensure that the name, address, Telephone numbers as well as the Web site address of the Company shall form part of the print and publicity material used by the Unit Franchisee at _____
- M. The Franchisee shall ensure that in all the press and publicity material used by the Franchisee in promoting the business at _____ the font type, size and the color scheme indicated by the Company shall be maintained with regard to the Company name, logo and other statutory disclosures.

XI. STATUTORY CLAUSES

- A. The Franchisee hereby warrants, covenants and undertakes with the Company that at no time, after the term or sooner termination of this agreement for whatsoever cause Franchisee shall make or be entitled to make any claim to the trade name or trade names or to any part of the name or names for the time being of the Company or to the name of any part thereof under which the Company is carrying on for the time being in the business of education and or training in Spoken English training and other Courses. The Franchisee shall not use as part of the style of its business which is or which are deceptively or confusingly similar to the trade name or names or part of its business in Spoken English Training and other Courses offered by the Company.
- B. The license granted in this Agreement is restricted to the period mentioned herein, or sooner determination thereof.

- C. The Franchisee hereby expressly agrees, admits and acknowledges that all rights, title and interest in the trade name or trade names or in the name or names of the Company or in its business in Spoken English training and other Courses or any letter, word, design, logo, business name or part of the style of its business arising out of their use exclusively belongs to the Company.
- D. The Franchisee also agrees not to name any of the programs, courses in Spoken English training and other courses, which gives any indication that such courses are being conducted based on the technical know-how with the Company except during the term and to the extent and in the manner permitted by the Company.
- E. The Company hereby permits the Franchisee to use the Company's trade names, style and logo and the name of the division under which the Company is providing the training or education in Spoken English training and other Courses. In the event of Company associating or adapting any new trademarks, trade names or services related thereto, the Franchisee shall use such new trade names, new trade marks, new service marks, new logos and other new words, to the extent and in the manner advised by the Company from time to time in relation to the conduct of the course of Spoken English training
- F. Nothing in this agreement shall confer any permanent right or interest to the Franchisee in any trade mark, trade name, service mark, design, logo or the name of the Company or presently being used by it in respect of any other items, other than relating to the business of education or training in Spoken English training and other Courses and nothing herein will create any ownership right on the printed matters, books published, magazines, periodicals, audio, and video, cassettes and other overhead projectors, transparencies educational aids and materials produced and supplied by the Company to the Franchisee for use in the education or training in Spoken English and other Courses under this agreement.
- G. The Franchisee shall comply with all laws of the State and the Nation and regulations in conducting the Franchisee courses.

- H. The Franchisee hereby agrees and admits that the Franchisee shall alone be held responsible in respect of any suit, application for interim or ad-interim order(s) or any legal proceedings or any complaint filed by any Franchisee or any student or any person or any Authority in any court, Tribunal, Consumer Redressal Forum/commission or before any Authority, pertaining to conduct of courses, facilities to students, any dispute between the student(s) and the Franchisee or in respect of any matter related to or concerning the Franchisee's center and the Company or its directors or officials shall not be held responsible and made a party to any such suit, complaint or any legal proceedings related to in respect any of the matters of the Unit Franchisee's center.
- I. The local promotion activity is entirely on the Franchisee and any such promotional campaign shall be planned with the Company. However, the advertisement and publicity materials shall be only in the form prepared and given by the Company's Media Consultants and approved by the Company. Notwithstanding anything contained in this agreement, prior approval in writing of the text, design layout of any advertisement, publicity material, poster, brochure, leaflets, press release, printing of stationary items such as letterheads, visiting cards etc., should be obtained by the Franchisee from the Company.
- J. The Franchisee agrees to display and maintain the Company's trademarks, trade names, service marks, logos and advertising and promotional materials including posters at such premises, in the manner authorized by the Company from time to time. The colour, colour- scheme, size, design and location of such signs shall be, as may be specified from time to time by the Company. The Franchisee shall not place additional signs, posters, trademarks, trade names, service marks and logos on the premises other than those authorized by the Company.
- K. Any taxes or duties imposed or assessed by the Central Government, local authority or any other government department by virtue of any new enactment or amendment to the existing statutes or otherwise in

respect of any payment made or due by the Franchisee to the Company whether by way of lump sum royalty, material price or otherwise, under this agreement shall be borne by the Franchisee and if paid by the Company, the Franchisee shall reimburse the same immediately upon the receipt of a debit note from the Company.

- L. The Franchisee agrees that the confidential information and knowledge that may be made available to it shall not be divulged to any person other than its employees. The Franchisee shall include a secrecy obligation relating to the above matters in the contracts of employment with its employees. The Franchisee shall also obtain a secrecy obligation bond from such employees to ensure the fidelity of its employees in respect of technical know-how and information and knowledge imparted to or made available to them. The Company shall be also added as a co-beneficiary of the Bonds and copies of the same shall be forwarded to it.
- M. The Franchisee shall be responsible to obtain all relevant licenses and permits from the authorities in compliance with laws for conducting the business conveyed under this Agreement.
- N. The Franchisee shall not be interested or concerned in any undertaking or business, which is similar in nature or being deceptively similar to that of the Company, during the term of this Agreement and up to sixty (60) months after the termination of this Agreement; For any breach in this clause the Franchisee agrees to pay the Company a sum of Rs.5,00,000/- (Rupee Five Lakhs only) towards liquidated damages.
- O. The Franchisee shall intimate to the Company any change in the address and or Telephone Number of its Franchisee or their Time English Training Academy's Centers or their office address with the Company, before 48 hours from such change.
- P. Without prejudice to its other obligations under this Agreement, the Franchisee hereby agrees with and undertakes to the Company as under:-

- (i) To comply with all the conditions of this Agreement, both in letter and spirit.
- (ii) To ensure that nothing is done or omitted that has to be done by the Franchisee, which may affect the reputation of the Company in the field of Spoken English Training or otherwise.
- (iii) To pay all taxes and outgoings promptly

S. Franchisee Should not conduct or use the study materials out side the institute, if they want to use they have to obtain the permission of the company.

The Franchisee shall make sure that to provide the following infrastructure at their learning centers.

- A. The Franchisee shall provide a classroom for teaching students of a size not less than 250 sq.ft.
- B. Each classroom shall have a white board and marker, comfortable seating arrangement with students' chairs/benches and flat (not tilted) tables and a chair & table for course instructor.
- C. The classroom shall be well illuminated and ventilated with adequate fans / air conditioners provided.
- D. Each learning centre shall have drinking water and toilets facility.
- E. Each Learning Centre shall provide for a Notice Board, Suggestion Box, Waiting hall for parents and a counseling room.
- F. Each Learning Centre shall have multimedia like T.V ,D.V.D , LCD Projector, Screen.
- G. Each Learning Centre shall have a separate small library .

XII. INDEMNITY & INSURANCE

- A. The Franchisee shall indemnify and keep indemnified the Company of and from and against all actions, suits or proceedings and all costs, suffered, or caused by or to the Company by reason of any suit, application or any other legal proceedings or complaint filed by any person against the Company or its Directors and its officials in any court, Tribunal, Consumer Redressal Forum/Commission or before any Authority.
- B. The Franchisee shall indemnify and keep indemnified the Company against any and all losses, damages or liabilities, legal fees and costs incurred by the Franchisee including but not limited to any act, negligence or default of the Unit Franchisee or the Company.

XIII. TERMINATION

- A. The Company shall have the right to terminate this agreement forthwith in the event that the Franchisee questions, disputes or attacks the validity, right, title or interest of the Company as to the Company's trade mark, trade names, service names, and marks and designs and the technical know-how including copyright or other intellectual property right.
- B. The Company may terminate the Franchisee arrangements herein created, if it comes to the conclusion that the Unit Franchisee is not properly administering its Unit Franchisees and that it would be necessary for the Company to take over the Franchisees operations.
- C. The termination or sooner determination of the agreement shall not affect the rights and liabilities of the parties as may have accrued as prior to and on the termination date.
- D. As and from the termination date, the Franchisee shall not be entitled to make use in any manner of its association with the Company or advertise such association or invite application for admission to any course conducted by it. The Franchisee shall not, after the

termination of the agreement, appoint any Franchisee, commence any course or take new admission.

- E. The Franchisee shall, notwithstanding any termination either by efflux of time or sooner determination be liable to pay all the amounts due and payable by the Franchisee to the Company under this agreement.
- F. In the event of the Franchisee committing an act of default in respect of any of the obligation of the Franchisee hereunder and such default not being remedied to the satisfaction of the Company by the Franchisee within fifteen days of receipt of a notice in writing from the Company specifying the act of default, the Company shall, without prejudice to its other rights in respect of such default be entitled to terminate this agreement and shall not be obliged to perform its obligations hereunder.
- G. The Franchisee shall duly and punctually make payment of all amounts due and payable to the Company under this Agreement, Non-payment of any amount under this agreement by the Unit Franchisee to the Company within the prescribed time shall be construed as an act of default and without prejudice to any other rights under this Agreement to recover such amount from the Franchisee, the Company shall be entitled to terminate this Agreement forthwith.
- H. The Franchisee shall, within 7 days from the date of termination, return all the materials that are available with them relating to business conveyed under this Agreement and such materials shall always remain the property of the Company.
- I. This Agreement shall stand terminated forthwith at the option of the Company;
 - (i) If the Franchisee has committed breach of any of the terms or conditions of this Agreement;
 - (ii) If the Franchisee, its representatives or employees are guilty of any conduct which is prejudicial or detrimental to the Company's interest;

- (iii) If the Franchisee fails or default in making any payment due to the Company.
- (iv) If the Franchisee in the opinion of the Company fails, refuse or neglect to manage its Unit Franchisees or its Course Center(s) properly or diligently or if there is any dispute between the partners/directors of the Center.
- (v) If the management or control of the Franchisee has changed hands without the prior approval of the Company

J. In event of termination the Franchisee shall:

- (i) Promptly return to the Company all records inclusive of Attendance registers, record of work registers, accounts books, receipt books, course registers if any, students information books, abacus boards, posters and such materials provided by the Company for the purpose of managing the Courses then in the Center's possession or control.
- (ii) Cease to describe itself, in all advertisement, documents, nameplate or other signs as the Unit Franchisee of the Company in the manner prescribed by the Company.
- (iii) Remove all signs and nameplate bearing the name of the Company and return the same to the Company.

K. It is hereby agreed between the parties that in event of such termination, all accounts shall be reconciled as per the accounts of the Company and in such an event if it is found that any further payments are due to the Company, from the Franchisee, then the Franchisee shall be liable to remit the same to the Company within a period of 10 days from the date of termination. In event of non-payment of any sums due to the Company, the Company shall be entitled for interest at the rate of 24% p.a.

XIV. ASSIGNMENT

A. The Franchisee undertakes not to assign or transfer or in any manner make over or purport to assign or transfer or make over the rights and

/or obligations of the Agreement or any part of it for any reasons whatsoever.

XV. JURISDICTION

- A. Any disputes arising from and out this Agreement or otherwise between the parties hereto, only the Courts in the City of _____ UT shall have exclusive Jurisdiction.
- B. The parties agree that any dispute arising under this Agreement shall be referred to in Arbitration as per the provisions of the Arbitration and Conciliation Act 1996 and the venue of such Arbitration shall be at _____ and the sole Arbitrator to arbitrate the disputes shall be appointed by the Company. This Agreement shall be construed in accordance with Indian Laws.

XVI. NOTICE

- A. Save as herein before otherwise provided any notice required to be given hereunder shall be sufficiently served to the Franchisee by registered Post to its last known postal address. Proof of posting shall be deemed to be proof of sufficient service.
- B. Change of address – Each party shall give to the other within forty-eight (48) hours a written notice of any change of address, telephone number or fax number.

In witness whereof the parties hereto have affixed their signature on the day, month and year first above written in the presence of:

WITNESS:

1.

Franchisee

2.

3.

For Time English Training Academy

Authorised Signatory