

Franchise Agreement

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1. The purchase agreement

1.1. The franchise package

1.1.1. The bar-room equipment

The bar is equipped with the following furniture (including the minimum number of required pieces): 3 tables (WA302); 2 chairs (WA301) per table, 6 chairs in total; all positioned not too far from a 'Folding Bar', designed in the same style as the chairs and table ('The Wave' series), with 4 chairs (WA301) in front of the bar. The two different versions of the chair are placed alternating. The 'Wave' idea symbolizes a 'new wave' of life-style, and its design looks exclusive as well as original.



A range of unbreakable glasses and throwaway cup-holders allow easy take-away. As an alternative, plastic or paper cups bearing the MJC® logo can also be used. Located just behind the 'Folding Bar' are a sliding window and a swing door, leading to the working / storage room (if space is available, otherwise all juices are prepared directly at the bar), in which all juices are prepared and ingredients are stored.

1.1.2. The decoration

All the walls should be painted in the trademark MJC® silver-grey color, as used for the stationary and the furniture. Around the edges of the ceiling, which should be painted in a straight white tone, an indirect lighting system should be installed to create a well-lit environment. All other elements and furniture also feature the silver grey color-scheme, including all the doors, (if applicable) wall-panels made from wood or steel, as well as the flooring (preferably tiles). On the wall just behind the bar, a large illuminated MJC® logo is fixed, filling a large percentage of the available wall space. Other walls are adorned with a picture of Dr. Norman Walker, a number of

pictures of Manhattan, and a large TFT-TV-screen with an in-build sound-system, all lit with indirect light or from behind (in case of the television). On the upper section of the wall, a Bordeaux-red triple stripe runs all around the main bar-room to utilize all elements of the franchise logo within the interior design.

1.1.3. The working room equipment

1 large fridge, 1 large cupboard for storing glasses etc.; 1 big locker for storing legal / accounting documents; 1 industrial dishwasher especially designed for glasses; 1 large working table containing both a sink and a water connection; 4 stainless-steel chairs for use of the employees; 2 fifteen liter chromium-plated trashcans; 2 high quality industrial fruit juicers, and the cash-register system.

1.2. **The Price**

1.2.1. Cash payment

The price for all of the above-mentioned components, including the described hardware and complete decoration work, is US\$ 20,000 (twenty-thousand US\$). It is payable in one amount on the day of signature of the contract to the account of the MJC® corporation, at JPMorgan Chase Bank, New York.

1.2.2. Financing

The initial investment amount of US\$ 20,000 (twenty-thousand US\$) can be financed - creditability assumed - through our partner bank JPMorgan Chase Bank, New York. The standard financing plan includes repayment of the initial investment in 60 (sixty) installments over a period of 5 five years - US\$ 400 (four hundred US\$) per calendar month, all interests and banking fees included (total repayable amount with interest is US\$ 24,000 [twenty-four-thousand US\$]).

1.2.3. The confirmed payment

The basic investment of US\$ 20,000 (twenty-thousand US\$), either paid as a one-off sum or financed, also contains parts of the franchise fee, with the exception of the monthly franchise fee of US\$ 200 [two-hundred US\$] - see chapter 2.3.). The confirmed payment of this basic investment enables the franchisee to start an own Manhattan Juice Clinic® juice bar using the provided branding. Ownership of all the furniture and equipment explained in paragraphs 1.1.1., 1.1.2. and 1.1.3. is immediately transferred to the franchisee. If a replacement of furniture, decoration or hardware is required at any moment during the contract period, this must be ordered from the MJC® corporation to insure quality and brand recognition.

1.3. **The services to be provided**

As soon as all contract details are verified, documented and the paperwork is completed and signed, the Manhattan Juice Clinic® corporation is responsible to enable the franchisee to open the new location as soon as possible, latest within one calendar month from date of signature (by the corporate). The delivery date for the equipment and the completed installation of the juice bar may differ depending on the special circumstances of each location and the contractual partner. In addition to hardware and equipment mentioned under paragraphs 1.1.1., 1.1.2. and 1.1.3., the franchisee will also receive a full software package containing the entire MJC® recipe range and related material.

2. **The franchise agreement**

2.1. **The rights of the franchisee**

With the signed franchise agreement, the franchisee receives the right to use all trademarks, trade names and patents of the Manhattan Juice Clinic® for a period of 5 (five) years from the date of signature. This also includes the use of the brand image and the design / decor of the corresponding premises, the use of the MJC®'s secret recipes, the use of MJC® copyright materials, the use of formulae, specifications and processes and methods of manufacture developed by MJC®. The franchisee receives the exclusive territorial rights in a (to be defined) region or jurisdiction. The boundaries of the area / jurisdiction in which the franchisee can operate under the MJC® brand are clearly defined, but can be altered with a modified agreement at a later moment. If the franchisee vows not to accept that other franchisees be permitted to compete in the same area or jurisdiction, now or later, the MJC® corporation will have no rights to outvote. The franchisee has the right to use his / her own property as the location of the franchise. He / She receives the rights to obtain the needed fruits / vegetables / other ingredients from suppliers of his / her own choice. The franchisee has the right to extend the contract in 5 (five) year periods, which will be automatically accepted by the MJC® corporation if there are no reasons to terminate the contract. (See paragraph 5. Termination provisions)

2.2. **The obligation of MJC®**

MJC® will not be authorized to interfere with the daily business of the franchisee, but the MJC® corporation will have the rights to demand necessary changes in the franchisee's strategy in order to comply with the contractual agreement or brand strategy. The logistic services of the MJC® corporation as well as additional services offered by our partner (JPMorgan Chase Bank) can help the franchisee to organize the internal bookkeeping.

2.3. **The obligation of the franchisee**

The franchisee has the obligation to carry on the business franchised and no other business upon the approved and nominated premises, and to observe certain minimum operating hours. The franchisee has to pay a **fixed monthly franchise fee of US\$ 200** (two-hundred US\$) **per juice bar**, payable to the MJC® corporation on the last working day of each calendar month (never negotiable). The franchisee has to use the MJC® accounting software for all internal bookkeeping. The franchisee is not allowed to advertise without prior approval of the advertisements by MJC® corporation, even if the franchisee will pay for the advertisement alone. The franchisee has to maintain the widest possible insurance coverage in consultation with JPMorgan Chase Bank. The franchisee has to permit the MJC® corporation staff to enter the premises to inspect and see if the MJC®'s standards are being maintained. The franchisee has the obligation to train his / her staff in the MJC®'s methods, and to ensure that they are neatly and appropriately clothed. The franchisee is not allowed to assign the franchise contract without MJC®'s consent. Extension of the franchise contract for a period of further 5 (five) years has to be negotiated and signed by both parties between 3 (three) to 6 (six) months before the end of the current contract.

3. **Trade restrictions**

The restrictions imposed upon a franchisee may prohibit him or her from carrying on a similar business except under franchise from MJC®, taking staff away from other MJC® franchisees, carrying on a similar business in close proximity to other franchised businesses within that MJC® chain, and continuing, after termination of the franchise contract, to use any of MJC®'s trade names, secrets, and so forth. Any violation against paragraph 3 within the initial contract period, and within further 5 (five) years after contract termination, constitutes a breach of contract, finable with US\$ 20,000 (twenty-thousand US\$).

4. **Assignment / Death of the franchisee**

The franchisee should ensure that in the event of death his or her personal representative or dependent will be able to keep the business going until one of them can qualify as a franchisee, and that arrangements can be made to keep the business going until a suitable assignee can be found.

5. **Termination provisions**

The conditions under which the Manhattan Juice Clinic® may terminate or refuse to renew the franchise, definite the imposing formulation of "good cause", "reasonable cause", or "just cause" is enough. Advance notice usually has an opportunity to cure the default and avoid termination; notice must be done by MJC® minimum 6 (six) months before the end of contract.

6. **Signature**

This Franchise Agreement is made and entered into as of the __ / __ of 20 __, by and between the Manhattan Juice Clinic®, New York City, New York, USA and Mr. / Mrs. _____.

7. **Choice of Law**

The parties to this franchise agreement expressly agree that this franchise is governed by the laws of the State of New York, USA. Any action in regard to the franchise or arising out of its terms and conditions shall be instituted and litigated in the State of New York, USA. In accordance, the parties submit to the jurisdiction of the State of New York, USA. In witness whereof, the parties have hereto set their hands as of the day and year first above written:

Authorized signature: MJC® corporation

Authorized signature: franchisee

Date: __ / __ / _____

Place of signature: _____