

**Franchisee Agreement  
Specimen Copy**

This agreement is made on the \_\_\_\_\_ day of \_\_\_\_\_, 2004.

***BETWEEN:***

OCS India Pvt. Ltd. having its registered office at OCS House, M-24, Greater Kailash Part II, M Block Market Commercial Complex, New Delhi 110048, India hereafter referred to as *(the “Company”)*

***And,***

\_\_\_\_\_ hereafter referred to as *(the “Franchisee”)* full details of which are set out in the item 1 of the schedule, for the provision of the services in item 2 of the schedule (the “Services”).

***1. TERM***

This Agreement commences on the Commencement Date and Termination Date, as set out in the table below:

**Commencement Date:**

**Termination Date:**

***2. PROVISION OF SERVICES***

The franchisee must provide the services to the company in accordance with this Agreement.

***3. CONDITIONS PRECEDENT***

The obligations of the parties under this Agreement are conditional on each of the conditions precedent set out in item 3 of the Schedule (if any) being either:

- Satisfied in a manner which is acceptable to the company

**Or**

- Waived by the company in writing.

#### ***4. PERFORMANCE OF SERVICES***

The Franchisee must provide the services:

- With due care and skill.
- In a proper and efficient manner using that standard of skill, diligence, prudence and foresight that would reasonably be expected, from a prudent Franchisee
- In compliance with all laws, regulations and standards to which the Franchisee is legally required to comply; and
- Act in good faith, in the best interest of the company and in a manner which is consistent with the maintenance of the business and Goodwill of the company.

#### ***5. PRICE FOR THE SERVICES***

The price for the Services, and any applicable rebates and discounts, inclusive of service Tax (if applicable) are set out in item 2 of the schedule. Subject to any change in the price for the Services resulting from the application of any express provision of this Agreement the price for the Service is fixed.

#### ***6. SERVICE LEVELS***

Review against Service Levels

- The Franchisee must provide the services to a standard which satisfies or exceeds the Service Levels and add value to the originations.
- The provision of the Franchisee will be reviewed by the company against the services levels every 6 months, with the first such review to take place 6 months after the commencement date.
- A representative of the Franchisee may attend any review of the services against the Service Levels and must co-operate with and provide the company with all information reasonably required by the company to enable it to accurately review the provision of the services by the Franchisee against the service levels.

## **7. TERMS OF PAYMENT**

### ***Invoicing***

- The Franchisee must submit an invoice for the services provided to the company no later than the 10th day of the calendar month immediately following the calendar month in which the services were provided or performed. The company will not accept invoices received after that invoice date. The invoice must specify:
- The amount which is due to the Franchisee for the services provided by the Franchisee during the preceding calendar month.
- The date or dates of performances of the services to which the invoice relates. This pertains to the Pods of all the shipments delivered by the Franchisee during the month on behalf of the company.
- A description of the services performed in sufficient detail to communicate the identity, nature and extend of the services performed.
- Any taxes (if applicable) payable in respect of the provision of the services; and The Franchisee address for payment.
- The service tax is agreed to be borne by Franchisee under this agreement. The Franchisee must provide the company with service tax payment documents. The Franchisee also must provide the company with the benefits of any set off availed by it. The company shall have a right to ask the Franchisee for an audit of their records to ascertain the extent of service tax paid and the set off if any availed by the franchisee

## **8. ADDRESS FOR INVOICING**

All invoices must be sent to Accounts Department, OCS India Pvt Ltd.  
OCS House, M-24 Greater Kailash-II, M Block Market Commercial Complex,  
New Delhi 110048, India.

- 9.** The Company remains the sole and exclusive owner of its trademark and Copyrights.
- 10.** The franchisee shall not vary, change or alter the Company name and manner of its depiction and its logo in any manner whatsoever while using the Company's name, logo, trademark in conducting his day to day activities as a franchisee of the Company.

- 11.** The Franchisee shall operate its collection centre for collecting both domestic and international documents, samples and parcel from the customers.
- 12.** The Franchisee shall charge his customers any price but not exceeding the company's published tariff (Annexure 1), as amended and prevalent from time to time. The Franchisee charge to his customers will not exceed this published tariff.
- 13.** The Company will charge the Franchisee a consolidated monthly bill which will be raised by the company on the Franchisee as per the rate list (annexure A). The franchisee would bear all the forwarding costs/freight charges for the dispatch of shipments booked by him from his office to the assigned and forwarding offices of the company.
- 14.** The franchisee shall arrange for an insurance cover for fire and all risks policy and burglary policy.
- 15.** The Franchisee will raise bill on all his customers. The Company will not be responsible for any dues, which the Franchisee is not able to recover from his customers. No deductions whatsoever will be made by the Franchisee from the monthly bill raised by the Company on the Franchisee. Any credit offered by the Franchisee to his customers would be at his own risk and cost.
- 16.** The Franchisee would collect the payments from his customers under his own name and Bank Account.
- 17.** The Franchisee shall not have the authority to have his Bank Account in name of the Company or any other name similar to the name of the Company.
- 18.** The Franchisee shall under no circumstances carry on any competing business of courier or as carriers of cargo or any other business of similar nature under the company name under which the franchisee holds the Companies Franchise. The Franchisee can however carry on any other business of whatsoever nature other than that of courier or cargo.
- 19.** The Franchisee being a beneficial user of the Company's name shall hereby undertake to use it with its connected goodwill, benefits and other advantages for its sole use and grant, convey, sell, transfer, assign the same or any of the rights granted to it under the same to any other person/organization. The Franchisee will not sell or authorize his sub agents the use of the Franchise.
- 20.** The Franchisee being a beneficiary of the Company name, he cannot be deemed to be an agent or a branch of the Company under any circumstances.
- 21.** In cases of delivery within the city/town limits, delivery shall be undertaken and given free of charge or as decided pricelist by the Franchisee to the Company.

- 22.** The Franchisee will accept/undertake to deliver documents /parcels only to such place where the company has its published services Acceptance of documents/parcels only to such place where the Company has its published services. Acceptance of documents /parcels in violation of this clause will be sole risk and responsibility of the Franchisee.
- 23.** The Franchisee shall not book any IATA restricted items and items prohibited by the various enactments applicable to the carriage of goods and comply with all requirements under the various enactments while undertaking booking.
- 24.** The Franchisee shall book all consignments only on the consignment notes (AWBs) provided by the company. The Franchisee will be required to submit a monthly consumption report of the AWBs and if any discrepancy is noticed, a fine of Rs.1000 per AWB shall be levied on the Franchisee. The company shall provide flyers, brochures, office lists, uniform at a cost price as per annexure or as verified for time to time. The franchisee would be required to comply and use only the stationary and items provided by the company to carry out his day to day activities and functions. The franchisee shall under no circumstances be entitled to print its consignments notes (AWBs).
- 25.** The Franchisee shall only use the stationary of AWB; brochure, office list and other items such as Uniforms, display boards provided by the company in order to maintain uniform identity.
- 26.** The Franchisee shall forward all the necessary courier/cargo material to the assigned office of the company within the prescribed time and that it/he will not withhold documents/consignments or any ground whatsoever.
- 27.** All outgoing and expenses of the Franchisee with regard to carrying on the business will be borne by it solely and in case of deficiency the company shall not be liable nor shall indemnify. The Franchisee shall be responsible for and shall bear and pay the electricity charges, water charges or any other charges, dues, taxes to any society, Municipality Government in respect of the said premises. The Franchisee shall not be entitled to charge the Company telephone, fax and telex charges used in the performances of this agreement.
- 28.** The Franchisee shall not have authority to raise loans or borrow money in the company's name and it is expressly understood that the company shall in any way be responsible for any debts or other liability/obligation created by the Franchisee for the purpose of business.
- 29.** The Franchisee shall undertake to dispatch the cargo/courier material immediately on its receipt and shall not keep any of the said material in its possession for more than twenty- hours after its receipt on any grounds whatsoever.

- 30.** The company has granted Franchisee only for the purpose of using the company name, trademark, utilizing the extensive network created by the company, extending the benefits of the goodwill established by the company, sharing all the relevant know-how and expertise associated with the business.

Be it clearly understood:

- 31.** The Franchisee being a beneficiary of the company name, he cannot be deemed to be an agent or a branch of the Company under any circumstances.
- 32.** That by this agreement no relationship of principal and agent is created between the company and the Franchisee. Nothing contained in this agreement shall be constructed as any relationship or partnership or principal and agent between the parties here to and this agreement is strictly on principal-to principal basis.
- 33.** That for all legal purposes and statutory applications the Franchisee is a separate entity apart from the company.
- 34.** The Franchisee's office will be referred to as the company's office only for the sake of convenience.
- 35.** The Franchisee shall engage/appoint necessary personnel at its own discretion without the interference of the Company for the efficient running of its business and that no relationship of the Employer and Employee will be created between the company and the said personnel. It is expressly understood that the Franchisee is the principal employer of its employees for the purpose of relevant laws and regulations of any government/local body/statutory body having jurisdiction and that the Franchisee is exclusively responsible for payment of all salaries, benefits, taxes, contributions, dismissal indemnities or any other obligations payable to the employees or any government/local body/statutory body having jurisdiction. The Franchisee shall always keep the company indemnified against any proceedings, prosecution initiated by any government/local body/statutory body.
- 36.** The claims arising in relation to booking made with the Franchisee will be the sole responsibility of the Franchisee.
- 37.** The Company shall be entitled to display a name board/glow signs as per the design and specification and of a minimum size of 4ft X 2ft outside the said premises in a prominent place with a view to draw the attention of the public to the Franchisee center and the Franchisee shall obtain required permission from the Municipal Corporation and other concerned authorities. The entire manner in which such display shall be done shall be decided by the company. The

Franchisee shall have no right to the name / logo of the company in any manner or form but will be entitled to advertise in newspaper and all other media about the Franchisee center. However the cost of any local advertisement is to be sponsored by the franchisee. The company shall have no objection to the same. It is clarified for the removal of any doubts that all rights to the company logo and trademark in such advertising materials , name board, design, logo and trademarks shall always be vested with the company and the Franchisee shall have absolutely no right, title or interest in the same.

**38.** The Franchisee will not at any time disclose any trade secrets which may become known to it by virtue of its position as Franchisee or otherwise, save in so far as disclosure shall be necessary in the interest and for the benefits of the business. The Franchisee shall be true and faithful to the company in all dealings and transactions whatsoever relating to the business.

**39.** That in the event of:

- The Franchisee changing his/its place of business/address or there being a change in the telephone number of the Franchisee office or any other related changes, the said changes shall be intimated to the company within 48 (forty eight) hours of change in writing.
- In the event of any dispute or differences arising between the parties as to the interpretation and meaning of the terms and conditions of these presents the same shall be referred to the Chairman and Managing Director of the Company and his decision shall be final and binding upon both parties.
- Both the Franchisee and the company hereby agree that all litigation between them will be subject only to the jurisdiction of the courts in Delhi irrespective of where the cause of action has raised.