

STOCK AND PACK BUSINESS PROPOSAL

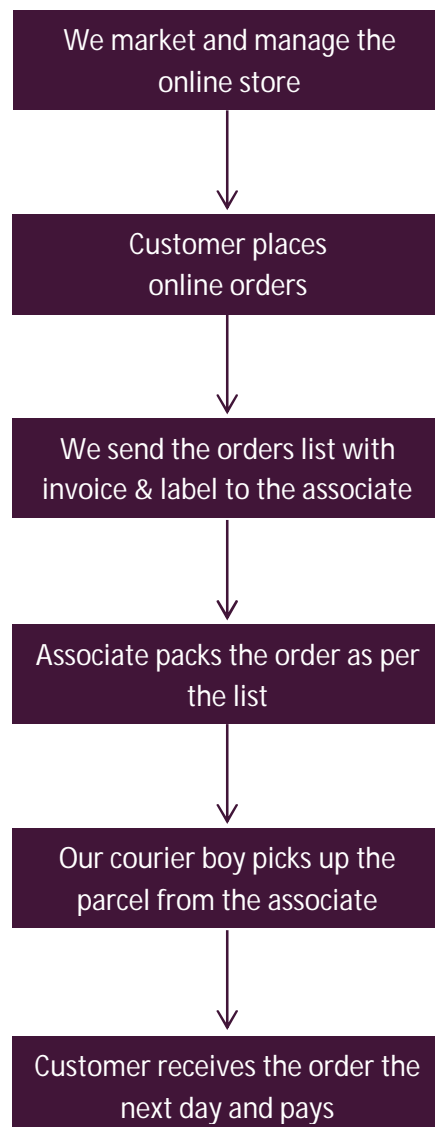
www.fashionsparadise.com is an online store managed by **PROJECT LEAPS**, Bangalore.

The key features of the store are:

- Free delivery in all cities.
- In addition to Lucknow, Ahmedabad, Delhi, Jaipur, Allahabad, Patna, Noida & Hyderabad, our next day delivery service to be launched in more Indian cities in the coming months.
- Current categories include Perfumes and Cosmetics.
- Upcoming categories to be launched include TShirts (Men & women), Apparel (Women), Oxidised Silver Jewellery, Bags, Sunglasses, Watches and Handicrafts.
- All products are either 100% authentic global brands or top quality Indian brands.

To assist us in offering next day delivery to our customers we are appointing associates in various cities.

NEXT DAY DELIVERY SALES CYCLE



Associate Requirements:

- Secured storage space around 100 to 500 sq. ft. (Commercial space not a must)
- Ability to provide refundable security deposit for security of our stocks.
- A computer with printer & internet connection and staff to pack the parcels.

Financials:

- Registration Fee: Rs.25,000/- (One-time)
- Refundable Security Deposit: Rs.3,00,000/- to Rs.8,00,000/- per category. A Category would include all varieties of all brands currently sold on our store.
- Monthly Fixed Returns: 2% of the Refundable Security Deposit.
- Monthly Variable Returns: 5% of total sales of chosen category products in your zone/city (Only one Business Associate will be appointed per zone/city per category).
- Minimum Annual Returns: 60% of the Refundable Security Deposit or 5% of the Annual sales of chosen category products in your zone/city whichever is higher.
- Monthly Expenses: Almost Nil as marketing, sales, courier charges and packing material are paid by us. Salary to packing boy/girl is the only expenditure incurred by associate if they decide to appoint the same.

Additional Returns:

- Monthly Referral Returns: 5% of the achieved sales through referrals in each month.

Agreement:

- Only one associate will be appointed per brand/category in a city
- Term: 3 years with 1 year Lock-in period
- Exit notice period: 90 days

Current List of Brands:**Upcoming Brands:**

Alfred Dunhill	Estee Lauder	O.P.I	Coloressence
Antonio Banderas	Ferrari	Police	Biotique
Benetton	Hugo Boss	Rimmel London	L'Oreal Paris
Chambor	Lacoste	UDV	Lotus
Colorbar	Mont Blanc	Kamasutra	Maybelline
DKNY	Nike	Yves Rocher	Himalaya

**PROJECT LEAPS
(Corporate Office)**

177, Sumahan Towers, MIG 707, 4th Phase,
Yelahanka New Town, Bangalore,
Karnataka - 560064

Ph. No.: 080 - 42138488
Mob. No.: 9538488488
Email: support@projectleaps.com
Url: www.projectleaps.com
Store: www.fashionsparadise.com

Draft copy of agreement on Stamp Paper

FRANCHISE AGREEMENT

This Agreement is made and entered on the Day of 2018 between **PROJECT LEAPS** (Hereinafter called as **Franchisor** which expression shall include its successors and assigns), having its office at No. 177, MIG 707, "Sumahan Towers", 4th Phase, Yelahanka New Town, Bangalore 560064, represented by its Mr. S/o, age around years on the ONE PART

AND

Mr./Mrs. S/o Mr. (Hereinafter called as **Franchisee** which expression shall include its successors and assigns), residing at, age around ... years on the OTHER PART

Whereas the Franchisor runs an online store in the name and style of Project LEAPS (www.fashionsparadise.com) and Franchisor has vast experience in online sales and products procurements

AND

Whereas the Franchisee recognizes the benefit to be derived from being the Franchisee of the Franchisor

Now therefore in consideration of the premises and mutual convenes and promises made hereinafter the parties hereto agree as follows:

Both parties agree to enter into an agreement under the following terms and conditions:

Section 1: The Agreement

- 1.1 "www.fashionsparadise.com" is an online store owned and operated by the Franchisor.
- 1.2 Franchisor has MOUs with various companies for supply of perfumes and cosmetics. Such perfumes and cosmetics are largely imported brands having high demand in India. Franchisor reserves the right to add, alter, modify and/or discontinue products/categories/brands sold on the said online store at any time without assigning any reasons.
- 1.3 This Agreement between the Franchisee and the Franchisor begins on the day of the signing of this agreement, and continues until

Section 2: Franchisor Responsibilities

- 2.1 Franchisor shall operate its online store www.fashionsparadise.com at its own cost.
- 2.2 Franchisor shall promote its store/products through Advertising & Promotions through its national campaign and Franchisee shall not pay any part of such costs incurred by the Franchisor.
- 2.3 Franchisor shall pay the costs towards all forms of Marketing & Sales and the Franchisee shall not pay any part of such costs incurred by the Franchisor.
- 2.4 Franchisor shall provide courier services through its associate for delivery of goods sold to its customers. All courier costs shall be paid by the Franchisor.
- 2.5 Franchisor shall be solely responsible for providing customer service to all its customers.
- 2.6 Franchisor shall address customer complaints and will keep the Franchisee indemnified against any such claims settlements arising out of such complaints.
- 2.7 Franchisor agrees to deliver the stocks along with the stocks report to the Franchisee immediately after adding the Franchisee's address for G.S.T. purpose.
- 2.8 Franchisor shall provide all packing material, invoices and labels (soft copy) to the Franchisee.
- 2.9 Franchisor shall send the daily orders report to the Franchisees registered email id on each day at a mutually agreed time excluding Sundays and public holidays.

- 2.10 Franchisor shall send the returns report to the Franchisees registered email id as and when such requests of returns/cancelations are made by its customers.
- 2.11 Franchisor shall pay all Import duties, Goods & Services Taxes (G.S.T) related to the online sales.
- 2.12 Franchisor shall send periodic stock statements to the Franchisee for verification and confirmation by the Franchisee.
- 2.13 Franchisor shall send the monthly sales reports with supporting documents to the Franchisee's registered email on the 22nd day of the concluded month of sale.
- 2.14 Franchisor shall pay to Franchisee the fixed & variable monthly & yearly returns as stated in clause 4.4 of this agreement.

Section 3: Franchisee Responsibilities

- 3.1 Franchisee shall pay to Franchisor a one-time non-refundable Franchise Registration Fee as stated in clause 4.1 of this agreement.
- 3.2 Franchisee shall pay to Franchisor the Refundable Security Deposit as stated in clause 4.2 of this agreement. Such deposit shall not carry any interest.
- 3.3 Franchisee shall provide necessary secured premises to store the stocks provided by the Franchisor and shall be solely responsible for its safety. Franchisee shall make good the losses incurred by the Franchisor in case of any physical damage or theft of the stocks while in its custody.
- 3.4 Franchisee shall ensure that the said premise is accessible between 11 a.m. to 7 p.m. on all working days for deliveries and pick-ups of the stocks, orders and returns/cancellations.
- 3.5 Franchisee shall have a computer/laptop with Wi-Fi connectivity and printing facilities at the said premises.
- 3.6 Franchisee shall verify and confirm the periodic stock statements sent by the Franchisor as per the guidelines given by the Franchisor.
- 3.7 Franchisee shall pack the orders strictly as per the instructions of the Franchisor. No other materials of any nature should be included in such packing without the written consent of the Franchisor. Any breach of this clause by Franchisee shall result to the Franchisee paying the Franchisor damages as claimed by the Franchisor and/or termination of this agreement.
- 3.8 Franchisee shall properly pack all the orders of the day with the correct label and invoices affixed on it and keep it ready for pick-up by the Franchisor's assigned courier company as per the time agreed with the courier company on all working days.
- 3.9 Franchisee at its sole discretion may appoint an office assistant for such packing work but will remain solely responsible for ensuring all guidelines laid down by the Franchisor.

Section 4: Payment

- 4.1 Franchisee hereby pays the Franchisor a sum of Rs. 25,000/- (Rupees Twenty five thousand) towards non-refundable Franchise Registration Fee. The said sum is paid through NEFT/RTGS/Internet banking from Bank, Branch, A/c Name having A/c number on
- 4.2 Franchisee hereby pays the Franchisor a sum of Rs...../- (Rupees Lakhs) towards Refundable Security Deposit. The said sum is paid through NEFT/RTGS/ Internet banking from Bank, Branch, A/c Name having A/c number on

4.3 All such payments by the Franchisee to Franchisor shall be made to the following Account of the Franchisor:

- A/c Name: Project LEAPS
- Bank Name: HDFC Bank Ltd.
- Branch Name: Yelahanka, Bangalore
- A/c No.: 50200024599731
- IFSC code: HDFC0004228

4.4 During the tenure of this agreement the Franchisor shall pay to Franchisee the following monthly returns:

- a) A sum of Rs...../- (Rupees) towards monthly incidental expenses.
- b) A sum equal to 5% of the total sales less returns (if any) from the stocks held by the Franchisee in each completed month. The sales amount will be exclusive of taxes, COD charges, delivery & handling charges and/or discounts.
- c) A sum equal to 5% of the total referral sales generated by the Franchisee. The sales amount will be exclusive of taxes, COD charges, delivery & handling charges and/or discounts.

All amounts towards monthly returns stated above shall be paid on the 30th day of the next following month.

In case, the total annual returns earned by the Franchisee as stated in clause 4.4 (a), 4.4 (b) and 4.4 (c) is less than 60% of the refundable security deposit amount, then The Franchisor agrees to pay the Franchisee a sum equal to the deficit amount of 60% of the refundable security deposit amount towards minimum annual returns. Such amounts towards minimum annual returns stated above shall be paid on the 30th day of the next following month.

4.5 All such payments by the Franchisor to Franchisee shall be made to the following Account of the Franchisee:

- A/c Name:
- Bank Name:
- Branch Name:
- A/c No.:
- IFSC code:

Section 5: Rights

5.1 The logos, trademarks and any copyrights belonging to the Franchisor or its associates will remain the property of the Franchisor or its associates at all times. Franchisee has the right to use the logos, trademarks and copyrights only for the purposes for which the Franchisor has granted written permission to the Franchisee.

5.2 Any misuse of the Franchisor or its Associate's logos, trademarks or copyrights will result in termination of this agreement and/or penalties levied by the Franchisor and/or Associates on the Franchisee.

- 5.3 All data provided by Franchisor to Franchisee solely belongs to the Franchisor at all times and must be kept strictly confidential and should not be used/shared/revealed by the Franchisee without the written permission of the Franchisor. Any misuse of such data by the Franchisee will result in termination of the agreement and or penalties levied by the Franchisor.

Section 6: Validity, Renewal and Termination

- 6.1 This franchise agreement is valid for a period of three years from to
- 6.2 At the end of the term, the agreement may be renewed with mutual consent of both the Franchisor and Franchisee and a new agreement shall be signed on the mutually agreed terms.
- 6.3 This agreement cannot be terminated by either the Franchisor or Franchisee during the first 12 months till Both the Franchisor and Franchisee may terminate this agreement after the said period of 12 months by giving a written notice of three months to the other without assigning any reasons thereof.
- 6.4 On termination or early termination of this agreement Franchisee agrees not to use any logos, trademarks and any copyrights belonging to the Franchisor or its associates.
- 6.5 On termination or early termination of this agreement Franchisee agrees to return all the remaining stocks and packing material in good condition held in its custody to the Franchisor.
- 6.6 On termination or early termination of this agreement Franchisor agrees to return to Franchisee the refundable security deposit as stated in clause 4.2 of this agreement without any interest subject to Franchisee fulfilling the requirements stated in clause 6.5 of this agreement.
- 6.7 On termination or early termination of this agreement Franchisor agrees to pay to Franchisee any dues towards the monthly/annual returns as stated in clause 4.4 of this agreement. Such amounts shall be calculated on prorata basis till the date of termination or early termination of this agreement.

Section 7: Violation

- 7.1 Both Franchisor and Franchisee have every right to immediately terminate this agreement with each other if any part of this Agreement is violated by Franchisor and / or Franchisee.
- 7.2 Under no circumstances Franchisee shall claim or represent that he / she is a partner of Franchisor nor shall Franchisee claim a stake in the business of the Franchisor.

Section 8: Arbitration and Jurisdiction

All disputes and differences of whatsoever nature arising out of this Agreement whether during its term or after expiry thereof shall be referred to a sole arbitrator mutually agreed upon by both the Franchisor and Franchisee, whose decision will be final on every matter arising hereunder. The venue of arbitration shall be Bangalore city only.

The Agreement will be in effect from subject to the terms set forth above. This Agreement is valid till

In witness whereof the parties above named and have signed the above presents, in the presence of the following witnesses:

WITNESS-1

.....
Project LEAPS
FRANCHISOR

WITNESS-2

.....
FRANCHISEE

Notary Signature and Seal: