DATED 03 JUNE **2019**

JIGSAW ARTS FRANCHISE LIMITED (1)

and

JIGSAW ARTS CARDIFF WEST LTD (2)

and

PHILIPPA SARA ATKINS and JAMES MICHAEL ATKINS (3)

FRANCHISE AGREEMENT
(CARDIFF WEST)

LEATHES PRIOR

SOLICITORS

74 The Close
Norwich
Norfolk
NR1 4DR

01603 610911
www.leathesprior.co.uk

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THIS FRANCHISE AGREEMENT is made on the 3rd day of JUNE 2019

PARTIES:

(1) **JIGSAW ARTS FRANCHISE LIMITED** incorporated and registered in England and Wales with company number 08763212 whose registered office is at 64-66 High Street, Barnet, Hertfordshire EN5 5SJ (the "**Franchisor**"); and

(2) **JIGSAW ARTS CARDIFF WEST LTD** (Company Registration No. 11956156) whose registered office is at 61 Partridge Road, Cardiff, Wales, CF24 3QY (the "**Franchisee**"); and

(3) **PHILIPPA SARA ATKINS** and **JAMES MICHAEL ATKINS,** both of 61 Partridge Road, Cardiff, Wales, CF24 3QY (the "**Manager**").

BACKGROUND

(A) The Franchisor as a result of research and practical business experience has developed and operates a successful business in providing complete dancing singing and drama classes during weekend performing arts schools, pre-school programmes, birthday parties and summer schools for children aged between 6 months and 18 years to develop performance skills, promote self-expression and build confidence (the "**Business"**) which is carried on under the name "Jigsaw Performing Arts" (the "**Trade Name"**).

(B) The Franchisor has expended substantial time, effort and money in the development of a system (the "**System"**) for the operation and development of the Business and has built up a substantial reputation and goodwill in the Trade Name, which is associated with the highest standards of service. The Franchisor has and is continuing to develop specialised Services and Products (as defined below) to be used in the Business.

(C) Nicola Lander (the "**Owner"**) is the owner of the Trade Mark (as defined below) and has licensed to the Franchisor the exclusive right to use and sub-licence the Trade Mark to its franchisees.

(D) The Franchisee wishes to acquire from the Franchisor the right and franchise to operate the Business in accordance with the terms of this Agreement.

(E) The Manager has agreed to be party to this Agreement for the purpose of entering into the guarantee set out in clause 28 and certain other obligations as set out in this Agreement.

IT IS HEREBY AGREED

1. INTERPRETATION

1.1 Definitions:

In this Agreement the following expressions shall have the following meanings unless the context requires otherwise:

Advertising Levy	the monthly fee payable by the Franchisee to the Franchisor in accordance with clause 12 which shall be calculated at the rate of two percent (2%) of Gross Turnover
Bank Account	the bank account of the Franchisor and into which the Franchisee shall be liable to pay any sums due to the

	Franchisor under this Agreement or otherwise, details of which are contained in the Manual
Brand	the Trade Name, Trade Mark and all other trademarks, service marks and unregistered trademarks owned by or licenced to the Franchisor for use in the Business and the logos copyrights and design copyrights drawings and other identifying materials whether or not registered or capable of registration and all other proprietary rights whatsoever owned by or available to the Franchisor whether adopted or designated now or at any time hereafter by the Franchisor for use in connection with the System
Business	as defined in the Background above
Customers	any person who contracts with the Franchisee for the supply of Products or provision of Services
Direct Debit Fees	the fees which the Franchisor shall charge the Franchisee in circumstances where Customers elect to pay for the supply of Products or provision of Services by direct debit, namely a £1 plus VAT charge per transaction and a £5 plus VAT charge for any failed direct debit transaction
Equipment	the equipment used in the Franchisee's Business as set out at Part D of Schedule 1
Expiry Date	the date set out in Part B of Schedule 1
Franchisee's Business	the part of the Business operated by the Franchisee under the terms of this Agreement
Gross Turnover	the gross takings of the Franchisee's Business arising directly or indirectly from the performance of the Services or sale of Products and received or receivable by or on behalf of the Franchisee during each month that this Agreement is in force and including all cash or credit transactions of whatever nature (including the full amount of credit card transactions) made by the Franchisee but shall exclude VAT (if applicable) and any sales rebates or discounts (provided any such rebates or discounts are agreed with the Franchisor)
Initial Fee	the initial fee payable by the Franchisee to the Franchisor under clause 5.1(a) for the amount set out in Part C of Schedule 1
Management Fee	the monthly fee payable by the Franchisee to the Franchisor for on-going support services in accordance with clause 5.1(b), which shall be calculated at the rate of ten percent (10%) of Gross Turnover
Manual	the Franchisor's standard operating manual(s) (which may be in electronic format) detailing the System and

	setting out the way in which the Franchisee shall operate the Franchisee's Business as amended from time to time
Owner	as defined in the Background above
National Marketing Fund	as defined in clause 12.4
Payment Dates	means: (a) for the Initial Fee on or before the date of this Agreement (b) for the Management Fee, the Software Fees and the Advertising Levy monthly in arrears on or before the seventh (7th) day of each month; and (c) for all advertising and promotional material, Stationery, Products or other equipment or items purchased by the Franchisee from the Franchisor (or another nominated supplier) on receipt by the Franchisee of the Franchisor's (or the relevant supplier's) invoice
Permitted Name	as set out in Part F of Schedule 1
Products	the products set out in Part A of Schedule 2 and such other products as shall, from time to time, be introduced by the Franchisor and notified in writing by the Franchisor to the Franchisee
Services	the specialised services developed by the Franchisor to be used in, or supplied by, the Franchisee's Business as more particularly set out in Part B of Schedule 2 (and such other services as are more particularly set out in the Manual or introduced by the Franchisor from time to time)
Software	the Jigsaw Performing Arts software provided by Franpulse or such other provider as shall be nominated by the Franchisor from time to time in its sole discretion
Software Fees	the monthly fees payable by the Franchisee to the Franchisor in relation to the Software as set out in the Manual
Start Date	the date set out in Part B of Schedule 1
Start-up Package	all those items forming part of the start-up franchise package to be provided to the Franchisee by the Franchisor details of which are as set out at Parts D and E of Schedule 1
Stationery	all letterheads, business cards, invoices, customers applications, Product / Stock order forms, return forms and other documents (or electronic templates) to be used by the Franchisee for the purposes of the Franchisee's Business and set out in the Manual from time to time
System	as defined in the Background above

Telephone Numbers	as defined in clause 9.19(a)
Term	five (5) years from the Start Date unless extended or earlier determined as provided for by this Agreement
Territory	the territory as set out in Part A of Schedule 1
Trade Mark	the trade mark details of which are set out in Schedule 3 and any other trademarks owned by or licenced to the Franchisor in relation to the Business from time to time during the Term
Trade Name	as defined in the Background above
Transfer Fee	as defined in clause 16.3(d)
VAT	value added tax (if applicable) chargeable at the appropriate rate from time to time
Website	www.jigsaw-arts.co.uk
Year	twelve (12) calendar months starting on the first (1st) day of the calendar month following the Start Date and thereafter the same consecutive twelve (12) month periods

1.2 Except where the context otherwise requires words denoting the singular include the plural and vice versa words denoting any gender include all genders words denoting persons include firms corporations and vice versa and in the case of partnerships words denoting the Franchisee shall apply to each of the partners of the partnership.

1.3 Clause, Schedule and paragraph headings shall not affect the interpretation of this agreement.

1.4 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.

1.5 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

1.6 All obligations, covenants, undertakings, and representations made by two or more persons as the Franchisee or the Manager in this Agreement are given or made jointly and severally.

2. RIGHTS GRANTED

2.1 In consideration of the payment of the Initial Fee, the Management Fees, the Software Fees and the Advertising Levy by the Franchisee to the Franchisor on the Payment Dates, the Franchisor hereby grants to the Franchisee during the Term and subject to and in accordance with the provisions of this Agreement the exclusive right to operate the Franchisee's Business in accordance with the System under the Brand within the Territory.

2.2 Save as otherwise provided for in this Agreement the Franchisor agrees that it will not itself operate or licence to any other person the right to operate any business involving the provision of the Services under the Brand within the Territory.

2.3 The Franchisee agrees that it will not itself use nor will it permit or authorise any use directly or indirectly of the System or the Brand nor make available the Services outside the Territory.

2.4 If any of the Customers are located or move to be located outside of the Territory the Franchisee shall notify the Franchisor and to the extent such Customers are located within a territory which is occupied by another Jigsaw Performing Arts franchisee then such Customers shall be offered a transfer to the other Jigsaw Performing Arts franchisee accordingly. Subject to the Franchisee complying with this clause 2.4 the Franchisee shall be entitled to provide the Services to Customers located outside of the Territory where the Franchisee has not actively solicited or sought the custom of such customers.

3. COMMENCEMENT AND TERM

This Agreement shall commence on the Start Date and shall continue in force for the Term ending on the Expiry Date and subject to the Franchisee's right to the grant of a new franchise agreement contained in clause 4.

4. RENEWAL

4.1 The Franchisee shall have the right to the grant of a new franchise agreement (New Agreement) for two (2) further terms in each case for a period of five (5) years commencing on the day following the Expiry Date subject to the terms and conditions set out in this clause 4.

4.2 The Franchisee shall require the grant of the New Agreement by giving written notice to the Franchisor to be received between nine (9) months and six (6) months before the Expiry Date.

4.3 The Franchisor shall grant the New Agreement provided that prior to the Expiry Date the Franchisee shall have substantially observed and performed the terms and conditions set out below:

(a) there shall be no outstanding breach of the Agreement and no circumstances existing which would entitle the Franchisor to terminate this Agreement;

(b) the Franchisee shall have performed all of its obligations under this Agreement to the reasonable satisfaction of the Franchisor and the Franchisee's Business shall meet the Franchisor's requirements;

(c) the Manager and any person employed by or concerned with the Franchisee specified by the Franchisor shall have completed such re-training or refresher training at such time and at such place as the Franchisor may require;

(d) the Franchisee shall undertake at its own expense within sixty (60) days from the date of notification from the Franchisor of its requirements to adopt the procedures and undertake replacement or upgrade such equipment, vehicle(s) and vehicle livery used in the Franchisee's Business and as shall be required to bring the Franchisee's Business in line with the then current standards specified in the Manual or as reasonably required by the Franchisor and to comply with any relevant statutory or other requirements or regulations; and

(e) the Franchisee shall reimburse any reasonable administrative and legal costs relating to the grant of the New Agreement up to £1,000 plus VAT.

4.4 The Franchisee and Manager shall upon the execution of the New Agreement be deemed to have released and discharged the Franchisor from and against all claims and demands whether or not contingent which the Franchisee may have against the Franchisor arising from this Agreement or otherwise in any way out of the relationship between the Franchisor, the Franchisee and the Manager.

4.5 The New Agreement shall be entered into by the Franchisee upon the terms of the standard franchise agreement then currently granted by the Franchisor (which shall contain a right to a new agreement and shall be for a period of not less than five (5) years) provided that on grant of the New Agreement there shall be no payment of any sum expressed to be payable by way of initial fee by the Franchisee in respect of such grant and the Franchisor shall be under no obligation to perform any of the initial or other obligations contained in the New Agreement which are appropriate to the establishment of the business of a new franchisee.

4.6 In the event the Franchisor permits the Franchisee to continue to operate the Franchisee's Business after the Expiry Date and without requiring the Franchisee to enter into a New Agreement the parties acknowledge and agree that the terms of this Agreement shall continue in force including any provisions which have or are intended to have effect subsequent to the Expiry Date except that either party shall be entitled to terminate the Agreement by giving three (3) months' written notice to the other party.

5. FEES

5.1 In consideration of the grant of the right and licence to operate the System the Franchisee shall pay to the Franchisor without demand deduction or set off on or before the relevant Payment Dates:

(a) the Initial Fee;

(b) the Management Fee;

(c) the Software Fee;

(d) the Advertising Levy; and

(e) the cost of all Products, Equipment, advertising and promotional material, Stationery and for all other items purchased by the Franchisee from the Franchisor or paid to suppliers by the Franchisor on the Franchisee's behalf;

together with VAT (if applicable).

5.2 The Franchisee shall co-operate fully and comply with any system implemented by the Franchisor for the transfer of funds directly from the Franchisee's bank account to the bank account of the Franchisor including the execution of any direct debit mandate, standard order or other pre-authorised payment forms required by the Franchisee's bankers.

5.3 Unless otherwise notified by the Franchisor in writing to the Franchisee, the Franchisee shall make all payments electronically by BACs, standing order, or as otherwise notified to the Franchisee by the Franchisor, to the Bank Account.

5.4 Without prejudice to any other rights enjoyed by the Franchisor in the event of any default in the payment of any sum which may be due from the Franchisee to the Franchisor the Franchisee shall pay to the Franchisor interest at the rate of two per cent (2%) per month calculated on a day to day basis on the amount of any sums due but not paid as well after as before judgment.

5.5 In addition to the fees set out in clause 5.1 above, the Franchisor may also charge the Franchisee the following (as and when they arise):

(a) the Direct Debit Fees in circumstances where Customers elect to pay for the supply of the Products or provision of the Services by direct debit; and

(b) the card payment charge as set out in Part E of Schedule 1 where Customers elect to pay for the supply of the Products or provision of the Services by card payment (currently provided by WorldPay).

5.6 In order to ensure that the Franchisee's Business is satisfactorily developed the Franchisor shall have the right to introduce target performance levels and if the Franchisee fails to meet the requirements of this clause in respect of the minimum number of Customers in more than two (2) successive quarters within a twelve (12) month period of the Term, the Franchisor shall be entitled to adjust the boundaries of the Territory and/or remove exclusivity within the Territory.

5.7 The Franchisee agrees that she will not charge encumber or assign any sums due to her from customers nor factor any unpaid invoices of the Franchisee's Business nor appoint any agent other than the Franchisor for the recovery of such sums.

6. FRANCHISOR'S INITIAL OBLIGATIONS

6.1 Within three (3) months of the Start Date or upon completion of the period agreed by the parties for training (whichever is the sooner) or otherwise agreed between the parties provide, in order to assist the Franchisee in opening for business, the Franchisor shall (in addition to the training referred to in clause 8) provide or make available to the Franchisee the following:

(a) general advice and guidance relating to the launch and operation of the Franchisee's Business and in the implementation of the System;

(b) the Start-up Package (the cost of which is included in the Initial Fee) on the standard terms and conditions as set out in the Manual;

(c) a copy, on loan, of the Manual containing details of the System for use exclusively by the Franchisee and the Manager. The Manual shall at all times remain the property of the Franchisor in whom copyright is vested;

(d) a public relations launch as described in the Manual; and

(e) such other local advertising for the Franchisee's Business before the Start Date in such manner as the Franchisor shall, in its sole discretion, deem appropriate, provided that the Franchisee shall bear the standard fees for such campaign as may be set down from time to time by the Franchisor.

7. FRANCHISOR'S CONTINUING OBLIGATIONS

7.1 The Franchisor shall, throughout the Term:

(a) permit the Franchisee to operate and promote the Franchisee's Business under the Brand in accordance with the terms of this Agreement;

(b) provide the Franchisee with such know-how, advice and guidance relating to the Business as it thinks fit;

(c) improve, develop and update the Manual and the System from time to time and promptly inform the Franchisee in writing of all such improvements, developments or updates;

(d) supply the Equipment, Products and Stationery to the Franchisee subject to availability on the Franchisor's standard terms and conditions applicable at the date of placing the order, such terms and conditions to be set out in the Manual;

(e) assist the Franchisee in procuring such goods and services as are necessary for the purposes of the Franchisee's Business;

(f) organise conferences for all franchisees of the Business at a time and place specified by the Franchisor;

(g) provide regular quality inspections of all its franchises so as to ensure the maintenance of the highest standards in the provision of the Services; and

(h) provide, host and maintain, in such form as the Franchisor shall determine, the Website for the Jigsaw Performing Arts network and for the promotion of the Services in the Territory with a specific page dedicated to the Franchisee's Business. The Franchisor shall provide the Franchisee with passwords and/or login codes to gain access to the Website and access to emails delivered through the Franchisor's computer server. The Franchisor accepts no liability for any loss suffered by the Franchisee caused by any fault, interruption or downage of the Website, although the Franchisor shall use its reasonable endeavours to remedy any such fault, interruption or downage as soon as reasonably practicable.

8. TRAINING

8.1 The Franchisor shall provide to the Manager the initial training in the operation of the System and in all aspects of the Business. Such training shall be provided in consideration for the Initial Fee at such location as the Franchisor shall determine and such training shall include a total of six (6) days training including both classroom and practical training.

8.2 The initial training will cover setting up and running Jigsaw Performing Arts classes and workshops including existing school visits, induction and running the Franchisee's Business, marketing, customer service, staffing and recruitment, program content, software and administration and such other matters as the Franchisor shall consider necessary for running the Franchisee's Business.

8.3 The Franchisee shall be liable for the Manager's travelling and other expenses incurred in attending all training under this clause.

8.4 Neither the Franchisee nor the Manager shall commence the operation of the Franchisee's Business until the Manager has successfully completed the initial training as set out in this Agreement and the Manual to the Franchisor's satisfaction.

8.5 If on completion of the initial training the Franchisor reasonably believes that the Manager does not meet the Franchisor's minimum standards then the Franchisor shall have the right upon notice in writing forthwith to:

(a) require the Manager at the Franchisee's own expense to undertake a further period of training; or

(b) terminate this Agreement whereupon the Franchisor within fourteen (14) days of the termination (but subject to the Franchisee returning to the Franchisor the

Equipment and Stationery) shall reimburse such part of the Initial Fee as it shall have received from the Franchisee less a sum not exceeding one thousand pounds (£1,000) representing the cost to the Franchisor in performing its obligations under this Agreement and any other costs incurred by the Franchisor in relation to it.

8.6 The Franchisor shall provide further training or assistance and advice to the Franchisee, and the Manager as may from time to time appear to the Franchisor to be necessary in the light of such improvements or developments as the Franchisor shall introduce to the System which during the first twelve (12) months shall include up to ten (10) days of additional in-field training without charge but thereafter shall be at the expense of the Franchisee.

8.7 The Franchisee shall not allow any employee to work in the Franchisee's Business until they have, in the reasonable opinion of the Franchisor, successfully completed training as set out in the Manual or as otherwise reasonably required by the Franchisor.

9. THE FRANCHISEE'S OBLIGATIONS

The Franchisee shall commence the operation of the Franchisee's Business on the Start Date (or within three (3) months thereof) and agrees that throughout the duration of this Agreement it shall:

9.1 Initial Training and Opening

ensure that the Manager undertakes the initial training referred to in clause 8.1 above and that it commences the operation of the Franchisee's Business within three (3) months of the Start Date;

9.2 Payment of Fees

pay to the Franchisor promptly all fees and other payments specified by and in accordance with the terms of this Agreement;

9.3 Minimum Performance

use all reasonable endeavours to meet the minimum performance requirements introduced by the Franchisor in accordance with the provisions of clause 5.6 (or as set out in the Manual) and promote and extend the Franchisee's Business and shall attend monthly or quarterly review meetings, at the request of the Franchisor, in order to manage the achievement of its performance requirements;

9.4 Equipment, Products and Stationery

(a) take delivery of the Start-up Package;

(b) purchase and maintain at all times a minimum stock of Products and Stationery and promotional material sufficient for promoting and providing the Services to Customers as may be reasonably determined by the Franchisor from time to time;

(c) so as to ensure that the Equipment, Products and Stationery are of the necessary quality purchase them only from the Franchisor or (if the Franchisor so determines) from those suppliers recommended or approved by the Franchisor or specified in the Manual and at all times hold sufficient stock so as to enable her to meet the demands of Customers;

(d) use only such signs, display materials, promotional literature, and other items in connection with the Franchisee's Business as shall be approved in writing by the Franchisor and immediately desist from the use or display of any such items as the Franchisor directs; and

(e) promptly pay all suppliers of the Equipment, Products and Stationery and all other goods and services provided to the Franchisee for the purposes of the Franchisee's Business;

9.5 **Vehicle**

if the Franchisee's or the Manager's vehicle displays the Brand obtain, maintain and use a suitable vehicle (which must be no more than seven (7) year's old) in the Franchisee's Business and decorate such vehicle (and maintain such decoration to a good standard) with any livery required by the Manual (or as otherwise reasonably required by the Franchisor) to be affixed to the vehicle;

9.6 **Accounts and Reports**

(a) install, incorporate, adopt and use in the Franchisee's Business the Software and any other software or system introduced by the Franchisor (at the Franchisee's expense) and allow the Franchisor access to such accounting information;

(b) maintain an accurate record of Gross Turnover and submit to the Franchisor (in a form approved by the Franchisor) a statement of the same on the fifth (5th) day of each month with the Management Fee;

(c) maintain an accurate record of Customers and their payment of any fees received;

(d) keep and maintain complete and accurate accounts and records relating to the Franchisee's Business in a form approved by the Franchisor. All such records shall be full, accurate, up to date and sufficient to ascertain the amount of the Management Fee due. If required by the Franchisor, the Franchisee shall have them audited by qualified auditors nominated by the Franchisor;

(e) deliver to the Franchisor a copy of the annual business accounts for the Franchisee's Business within six (6) months of the relevant accounting year end;

(f) retain its accounting and financial records for at least six (6) years after the end of any accounting year to which those records relate;

(g) permit the Franchisor of its representatives to investigate the records of the Franchisee's Business, and take copies of the accounts and records on reasonable notice, during usual business hours during the Term and for a period of six (6) years after the termination of this Agreement; and

(h) supply to the Franchisor copies of any other financial and fiscal information reasonably required by the Franchisor;

9.7 **Maintenance of Standards**

use its best endeavours to maintain a high standard in all matters connected with the Franchisee's Business and not provide any Services which do not conform with the standards associated with the System and the Brand;

9.8 **Compliance with Advice and Instructions** comply with all advice and reasonable instructions given by the Franchisor with regard to the operation of the System and as to the provision of the Services;

9.9 **Adherence to System and Development of Territory**

(a) operate the Franchisee's Business properly and strictly in accordance with the System and with the rules, regulations, standards and operating procedures from time to time established and set down by the Franchisor in the Manual and in accordance with the terms of this Agreement; and

(b) diligently and with the utmost good faith carry on the Franchisee's Business and use all reasonable commercial endeavours to expand the same within the Territory and to procure the greatest number of Customers and volume of turnover for the Franchisee's Business consistent with the provision of high quality services to Customers;

9.10 **Protection of the Brand**

(a) constantly protect and promote the goodwill attached to the Brand and to hold any additional goodwill generated by the Brand as bare trustee for the Franchisor;

(b) not knowingly do or permit to be done anything which in the reasonable opinion of the Franchisor may have a detrimental effect on the Franchisor, the Business, the Franchisee's Business, or the Brand; and

(c) otherwise comply with the provisions of clause 14;

9.11 **Attendance to the Franchisee's Business**

only operate the Franchisee's Business and shall procure that the Manager shall only operate the Franchisee's Business and shall not operate any other business or be involved in any business other than the Franchisee's Business nor permit any other party to manage or operate the Franchisee's Business without the prior written consent of the Franchisor;

9.12 **Operating Times**

operate the Franchisee's Business during the hours specified by the Franchisor in the Manual from time to time;

9.13 **Pricing of Products and Services**

on the basis that the prices charged for the Products and/or Services form an integral part of the System take account of the provisions in the Manual relating to pricing and consult with the Franchisor as to the prices to be charged for the Products and/or Services and in any event refrain from charging in excess of any maximum prices for the Products and/or Services specified by the Franchisor;

9.14 **Out of Territory Leads**

pass to the Franchisor immediately any enquiries received from Customers or potential customers from outside the Territory;

9.15 **Customer Referrals**

contact promptly all potential customers whose particulars are passed to the Franchisee by the Franchisor;

9.16 **Dress and Appearance**

ensure at all times that the Manager (and any staff engaged by in the operation of the Franchisee's Business) present a smart, neat and clean appearance and render a competent, and courteous and efficient service to Customers in accordance with the provisions and procedures laid down in the Manual;

9.17 **Confidentiality**

not copy, use, disclose, divulge any confidential information concerning the Business or the System or the contents of the Manual to any person (or permit the same) other than:

(a) such information as is necessary to be divulged in order to properly conduct the Franchisee's Business and in the event of any dispute the Franchisor's decision as to what information is so necessary shall be final; or

(b) in accordance with the written permission from the Franchisor;

9.18 **Deputising**

immediately inform the Franchisor of any dates upon which the Manager will be unavailable to provide the Services and of any illness or incapacity which shall or may prevent the Manager from providing the Services for more than two (2) consecutive weeks and in which event the Franchisor may assist by the appointment (at the Franchisee's expense) of a substitute to deliver the Services;

9.19 **Mobile Phone, Email, Internet and Social Media**

(a) utilise in the Franchisee's Business only the telephone numbers specified (or approved) by the Franchisor (the Telephone Numbers), and not use the Telephone Numbers for any purpose other than the Franchisee's Business, and respond promptly to all calls received in connection with the Franchisee's Business;

(b) utilise in the Franchisee's Business an email address specified (or approved) by the Franchisor and respond promptly to all emails received in connection with the Franchisee's Business;

(c) not to promote the Franchisee's Business or sell market or make available the Services through the internet or any other electronic means except in accordance with the provisions of the Manual and/or the Franchisor's instructions;

(d) not use licence or register any domain name or publish or cause to be published any website in connection with the operation of the Franchisee's Business except in accordance with the provisions of the Manual and subject to any registration of any such domain name being in the name of the Franchisor or such party as may be nominated by the Franchisor;

(e) fully indemnify the Franchisor against all and any claims arising out of or related to any website established by the Franchisee and the conduct of any business through or on the world wide web internet or any other electronic means; and

(f) ensure that the Manager and any staff adhere to and comply with any social networking policy set out by the Franchisor or detailed in the Manual;

9.20 **Taxes**

be solely responsible for discharging all income tax, national insurance and VAT liabilities and to indemnify the Franchisor against all expenses taxes and levies of any and all kinds, in each case, arising out of or in connection with the operation of the Franchisee's Business;

9.21 **Display of Notices**

give notice in such places and in such form as the Franchisor may from time to time require that the Franchisee's Business is operated under licence from the Franchisor and that the Franchisee is independent of the Franchisor and is not a branch or agent of the Franchisor and at the cost of the Franchisor take such further action in relation to the protection of the Brand and the Franchisor's other intellectual property rights as the Franchisor may from time to time reasonably require;

9.22 **Inspection by Franchisor**

permit the Franchisor and its representatives and agents unrestricted access during normal business hours to the books, accounts and records of the Franchisee's Business for the purposes of enabling the Franchisor to perform its obligations hereunder inspecting the same and verifying compliance by the Franchisee with the provisions of this Agreement;

9.23 **Customers and Complaints Handling**

(a) permit the Franchisor to contact Customers about the Services being provided to them by the Franchisee;

(b) record and provide to the Franchisor full details of every Customer in the manner described in the Manual and shall provide to the Franchisor immediately upon receipt full written details of any complaint received from any Member relating to the provision of the Services;

(c) obtain signed applications forms, registration forms and/or terms and conditions from the Franchisee in the form specified in the Manual; and

(d) notify the Franchisor in writing of any complaint received and the steps taken in connection with any complaint or claim and permit the Franchisor to investigate the complaint or claim and where the Franchisor considers it appropriate it may arrange for the refunding of any fees paid by the Customer and the Franchisee shall indemnify the Franchisor against all costs and expenses incurred in relation to such complaint;

9.24 **Disclosure**

pass on promptly to the Franchisor any information which may prejudice the conduct of the Franchisee's Business and upon entering into this or any other agreement or transaction with the Franchisor during the Term the Franchisee shall make full disclosure of all material circumstances in respect of the subject matter of the relevant contract or transaction which would be likely to influence the conduct of the Franchisor (including in particular the disclosure of other business interests of the Franchisee);

9.25 **Permitted Name**

conduct the Franchisee's Business only under the Permitted Name and not use the Permitted Name or the Brand (or any name or marks capable of being confused with the same) as part or the whole of any corporate name;

9.26 **Implementation of Improvements to System** immediately (or as soon as reasonably practicable) implement recommendations of the Franchisor with regard to changes to or improvements in the System as affected by alterations or additions to the Manual and otherwise comply with the provisions of clause 15;

9.27 **Prospective Franchisees**

at the request of the Franchisor provide prospective franchisees of the Franchisor with such information as such prospective franchisees may reasonably and properly require and shall at all times be courteous and co-operative in all dealings with such prospective franchisees;

9.28 **Annual Conferences**

ensure that the Manager attends the annual conference for Jigsaw Performing Arts franchisees organised by and at the expense of the Franchisor (save for travel and accommodation);

9.29 **Group Schemes**

participate and subscribe to and comply with all procedures devised or approved by the Franchisor for any group scheme service or facility provided by the Franchisor or by third parties approved by the Franchisor and considered by it to be beneficial to the Business or forming part of the System whether in respect of insurance, professional advice or health and safety, or employment legislation or any quality standard accreditation or otherwise and promptly to pay the subscription for, or any proportional cost of, the same;

9.30 **Employees and Sub-Contractors**

(a) employ or engage sufficient number and quality of employees or sub-contractors to fulfil its obligations under this Agreement;

(b) not employ any person or engage any sub-contractor to provide the Services who is not properly qualified, nor any person in a management capacity who has not successfully completed the Franchisor's initial training course; and

(c) not engage in the Franchisee's Business as a Participant (as defined under the Trading Schemes Act 1996) anyone unless they are registered and continue to be registered for VAT (retain as a sub-contractor);

and in each case:

(i) ensure that such person has cleared a disclosure and barring service (DBS) check and, if required, undertaken first aid training;

(ii) disclose the details of any such persons to the Franchisor in advance to formally agreeing to engage their services;

(iii) enter into formal contracts of confidentiality and employment with each employee in a form approved by the Franchisor or in any example set out in the Manual; and

(iv) at its own expense take such steps as the Franchisor may direct in order to enforce or restrain any breach by any employee or sub-contractor of any terms of the employee's contract of employment or sub-contractor's agreement (as the case may be);

9.31 **Anti-Corruption**

(a) ensure that the Franchisee, the Manager and any of its staff adhere to and comply with all applicable anti-bribery and anti-corruption laws including but not limited to the Bribery Act 2010 and with any anti-corruption policy set out by the Franchisor or detailed in the Manual; and

(b) implement maintain monitor and enforce its own policies and procedures to ensure compliance with all anti-bribery and anti-corruption laws.

10. THE MANUAL

10.1 The Franchisor will update the Manual to reflect any amendments to and improvements in the System and will provide the Franchisee with full written details (in electronic version) of any such alterations so as to enable the Franchisee to keep her copies up to date.

10.2 The Franchisee shall not make any amendments or deletions to the Manual without the prior written consent of the Franchisor which shall keep at its offices in hard copy an up to date copy of the Manual as revised and modified from time to time which shall be the operative authentic text of the said Manual.

10.3 The Franchisee shall conduct the Franchisee's Business strictly in accordance with the Manual the terms of which shall be deemed incorporated into and shall form part of this Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Manual the terms of this Agreement shall prevail.

11. RESTRICTIONS ON THE FRANCHISEE AND MANAGER

11.1 The Franchisee and Manager hereby covenant and agree that during the continuance of this Agreement and for a period of one (1) year after the termination (for any reason) whether by itself/himself/herself or together with any person, firm or company in any capacity whatsoever save as authorised hereunder directly or indirectly:

(a) not within the Territory (except as a holder of not more than five percent (5%) of the issued shares of a publicly quoted company) to be engaged or interested or concerned in the provision of the Services or of any like services or in any business operating in competition with the Business and/or with any of the or other franchisees or licensees of the Franchisor;

(b) not within the Territory of any other franchisees or licensees of the Franchisor or the Franchisor (except as a holder of not more than five percent (5%) of the issued shares of a publicly quoted company) to be engaged or interested or concerned in the provision of the Services or any like services or in any business which is similar to or in conflict with the Business and/or with the business of any of the other franchisees or licensees of the Franchisor;

(c) not without the prior written consent of the Franchisor to employ or seek to employ any person who is at that time or has at any time in the previous twelve (12) months been a franchisee or been employed or engaged in a senior management or other senior position by the Franchisor or by any other franchisee or licensee of the Franchisor in any business carried on under the Brand using the System;

(d) not to solicit Customers, former Customers (who were Customers in the previous (12) months) or prospective Customers nor divert or seek to divert any custom from the Franchisor or any other franchisee or licensee of the Franchisor; and

(e) use the customer database for any other business activity than the operation of the Franchisee's Business.

11.2 The Franchisee and the Manager hereby agree that all the restrictions in this clause are reasonable and valid in the circumstances of this Agreement.

11.3 At any time after the termination or expiry of this Agreement the Franchisee and the Manager shall not reveal or use for the benefit of the Franchisee or the Manager or any third party any trade secret or confidential information of the Franchisor or any confidential information acquired from the Franchisor in connection with the Business.

11.4 If any provision of this clause is determined to be void or unenforceable in whole or in part it shall not be deemed to affect or impair the validity of any other provision of this clause or any other part thereof all of which provisions shall remain in full force and effect and where such provision would be valid and enforceable if part of the wording thereof was deleted or the period reduced or the range of services or the area was reduced in scope the said restriction shall apply with such modifications as may be necessary to make it valid and effective.

12. ADVERTISING

12.1 The Franchisee will carry out such local promotional activity and advertising in the Territory as shall be agreed with the Franchisor in accordance with the Manual using any materials supplied or approved by the Franchisor. In any event the Franchisee shall expend not less than two percent (2%) of Gross Turnover per Year on advertising and promoting the Franchisee's Business in the Territory.

12.2 The Franchisee will not publish any other advertising or promotional material unless and until samples thereof have been submitted to the Franchisor and the Franchisee has obtained the prior written approval of the Franchisor to the use of such material which approval shall not be unreasonably withheld or unduly delayed. The Franchisee will immediately cease the use or display of any advertising or promotional material deemed inappropriate by the Franchisor upon receipt of a request from the Franchisor so to do.

12.3 In the event of the Franchisor initiating any advertising or promotional campaigns to promote the reputation of the System and/or the provision of the Services on a national, regional or local basis then the Franchisee shall join in such advertising or promotion as may be reasonably requested by the Franchisor and shall bear a proportional cost of the same.

12.4 Recognising the value of uniform national marketing to the goodwill and public image of the System the Franchisor shall establish, maintain and administer a national marketing fund (National Marketing Fund) for such national regional or other advertising programmes or marketing activity as the Franchisor deems necessary or appropriate in its sole discretion.

12.5 The Franchisor shall pay such amounts of the Advertising Levy as it shall receive from the Franchisee and its other franchisees into the National Marketing Fund which will be a separate fund held in trust for all of the Franchisor's franchisees and shall expend such monies in undertaking such advertising and promotional activities for the Services and the Jigsaw Performing Arts franchised network as it shall see fit and shall be entitled to apportion an amount not exceeding ten percent (10%) of such monies to pay for the costs incurred by it in administering the same. If at any time the Franchisor expends monies in excess of those standing to the credit of the National Marketing Fund such excess expenditure may be set off against subsequent monies received by the National Marketing Fund.

12.6 The Franchisor shall arrange for the National Marketing Fund to be audited annually and shall (if the Franchisee so requires by notice in writing) provide to the Franchisee a copy of the audited accounts within three (3) months of the date to which they are prepared the costs of such audit to be paid by the National Marketing Fund.

12.7 The Franchisor shall provide the Franchisee with such promotional display literature and other point of sale material as it shall, in its absolute discretion, deem appropriate.

13. INSURANCE

13.1 The Franchisee shall take out and maintain an all-risk insurance policy with a reputable insurance company (or companies) with such amount of cover as the Franchisor may, in its absolute discretion, specify in the Manual. Such policy (or policies) shall include:

(a) liability for employees and third parties;

(b) public liability;

(c) professional indemnity cover;

(d) in relation to (and only insofar as) Products are sold, liability under the Consumer Protection Act 1987;

(e) liability for damage to property (including to the Equipment and any vehicles used in the Franchisee's Business; and

(f) any other cover which the Franchisor may, in its absolute discretion, specify.

13.2 The Franchisor's interest should be noted on such policy which shall stipulate that the Franchisor is to receive not less than thirty (30) days' notice of cancellation. The Franchisee shall forward to the Franchisor a copy of such insurance policy and evidence as to all renewals thereof during the Term.

13.3 The Franchisee shall promptly pay all premiums required to be paid in respect of such insurance policy and shall immediately furnish to the Franchisor proof of such payment.

13.4 If the Franchisee fails to take out and maintain such policies, the Franchisor may do so on its behalf and the Franchisee shall reimburse the Franchisor for all costs and expenses incurred in doing so.

14. BRAND

14.1 The Franchisee and the Manager acknowledge that the goodwill and all other rights in and associated with the Brand and the benefit thereof vest absolutely in the Owner and/or Franchisor and that such rights will at all times and for all purposes remain so vested and in the event that any such rights at any time accrue to the Franchisee the Franchisee will at its own expense immediately on demand do all such acts and things and execute all such documents as the Franchisor shall deem necessary to vest such rights absolutely in the Franchisor or otherwise as the Franchisee so requires.

14.2 The Franchisee and/or the Manager will notify the Franchisor immediately of any and all circumstances coming to the attention of the Franchisee its agents and employees or the Manager which may constitute an infringement of any of the Brand or any suspected passing off in connection therewith by any unauthorised person and shall take such reasonable action as the Franchisor may direct at the expense of the Franchisor with a view to restraining or preventing such infringement or passing off.

14.3 The Franchisee shall take such action in relation to the use of the Brand in the Franchisee's Business as the Franchisor may from time to time direct in order to make clear that the Brand is the subject of copyright or trade mark protection and belongs to the Franchisor.

14.4 The Franchisor authorises the Franchisee to use the Brand solely for the purpose of promoting and operating the Franchisee's Business and the Franchisee and Manager agree that so long as this Agreement shall subsist any such usage will be in accordance with the reasonable directions of the Franchisor.

15. IMPROVEMENTS AND INNOVATIONS

15.1 The Franchisor agrees to make any improvements additions or modifications of or to the System available to the Franchisee without delay and the Franchisee shall when so required by the Franchisor introduce any such improvement addition or modification into the Business at the time and in the manner specified by the Franchisor in writing and the System shall thereupon be deemed to have been so varied.

15.2 The Franchisee will notify the Franchisor of any improvements additions or modifications of or to the System which may assist in the operation of the Business and the Franchisor may introduce such improvements additions or modifications without any obligation to make any payment therefor.

15.3 The Franchisee will not itself introduce any improvement addition or modification of or to the System into the Business without the prior written consent of the Franchisor so to do.

16. SALE OF THE FRANCHISEE'S BUSINESS

16.1 The Franchisee shall not have the right to assign this Agreement but it shall have the right to sell the Business with the prior written consent of the Franchisor and subject to the conditions listed in clause 16.3.

16.2 Subject to clause 16.3, the Franchisor hereby undertakes to grant to a buyer of the Franchisee's Business a franchise for a five (5) year term and upon similar terms and conditions to those contained in the Franchisor's then current standard franchise agreement excluding the payment of any sum expressed therein to be payable by way of the initial fee.

16.3 In the event that the Franchisee wishes to exercise the right to sell the Franchisee's Business the following conditions must be complied with:

(a) any proposed buyer must meet the Franchisor's standards with regard to business experience, financial status, character and ability;

(b) the Franchisee shall submit to the Franchisor a completed franchise application form which shall include a financial statement of affairs relating to the proposed buyer together with the buyer's business history and qualifications where applicable;

(c) the proposed buyer shall submit a detailed offer in writing which shall be a bona fide arms-length offer and which shall provide for the Equipment and stock of Products and Stationery to be included in the sale together with the goodwill (i.e. the value of the Customers) at valuation and the Franchisee shall provide a copy of such offer to the Franchisor;

(d) the Franchisee shall pay to the Franchisor by way of a transfer fee (the Transfer Fee):

(i) full amount of its legal costs in connection with the transfer (not to exceed £750 plus VAT);

(ii) a sum equal to sixty percent (60%) of the then current initial fee charged by the Franchisor to its new franchisees to cover the costs to the Franchisor of dealing with the application for consent and the training of the proposed purchaser; and

(iii) provided that if the Franchisor has introduced the proposed purchaser then the Franchisee shall pay to the Franchisor a further ten percent (10%) of the total sale price for the Franchisee's Business;

(e) the Franchisee must not at the time of the application for consent be in breach of any of its obligations under this Agreement.

16.4 Upon receipt of written notice by the Franchisee of its intention to sell the Franchisee's Business together with the documents and other details as set out in 16.3 above:

(a) the Franchisor shall have in addition to its other rights hereunder an option to purchase the Franchisee's Business from the Franchisee for the same price and upon the same terms as the proposed buyer shall have offered to the Franchisee;

(b) the Franchisor shall enjoy the benefit of such option for a period of twenty eight (28) days after receipt of the Franchisee's notice to sell; and

(c) if the Franchisor serves notice exercising its option, the sale and purchase of the Franchisee's Business shall be completed within three (3) months following the service of the Franchisor's notice.

16.5 If the Franchisor shall not have exercised its option referred to in clause 16.4 above within such period of twenty eight (28) days and if the Franchisor shall have given its written consent to the proposed sale of the Franchisee's Business then:

(a) the Franchisee shall be entitled within the period of three (3) months from the date of the Franchisee's notice or varied notice (if any) thereafter to proceed with its application to sell the Franchisee's Business to the proposed buyer upon the same terms or on terms no more favourable to a buyer than those notified to the Franchisor in accordance with the provisions of this clause 16;

(b) the Franchisee shall comply with all procedures set out in the Manual as regards the sale including making payment (to the Franchisor's solicitors) of the Franchisor's standard fee for the use of its draft franchised business sale and purchase agreement to be adapted as required by the Franchisee its buyer and their solicitors but approved by the Franchisor's solicitors before execution and upon the completion of any contract between the Franchisee and the proposed buyer deposit with the Franchisor the Transfer Fee from the consideration for the said sale;

(c) upon completion of the transaction the purchase price or the balance thereof shall be deposited with the Franchisor's solicitors as agent for the Franchisee; and

(d) the Franchisor shall deduct from the said purchase price the sum of any amount owing to it by the Franchisee up to and including the proposed date of the sale of the Franchisee's Business and any outstanding balance of the purchase price shall then be remitted by the Franchisor to the Franchisee within fourteen (14) days of the date of the receipt by the Franchisor of the full purchase price.

16.6 Upon entry by the buyer into the new franchise agreement the rights and obligations of the Franchisee and the Manager in respect of this Agreement shall terminate save as otherwise provided.

17. DEATH OR INCAPACITY OF THE MANAGER

17.1 If the Manager shall die during the Term the personal representatives of the Manager shall notify the Franchisor within sixty (60) days of said death and whether or not they or any relative of the Manager wishes to continue to operate the Franchisee's Business. If the Franchisor is satisfied that the nominated individual would be an acceptable assignee in accordance with the criteria set out in the Manual and under clause 16.3 the Franchisor will consent to such assignment subject to this clause 17.

17.2 If the personal representatives of the deceased Manager indicates they wish to sell the Franchisee's Business to a third party or shall not within the sixty (60) day period assign this Agreement in accordance with clause 17.1 then they shall endeavour to find a purchaser for the Franchisee's Business and the provisions of clause 16 shall apply.

17.3 If the said assignment or sale does not take place within six (6) months of the deceased's date of death the Franchisor shall be entitled, but not obliged to:

(a) terminate this Agreement without liability by giving to the personal representatives notice in writing to that effect; and/or

(b) purchase the Franchisee's Business at an agreed market value less twenty per cent (20%) by serving notice in writing upon the personal representatives of its intention to so purchase, such notice shall constitute a binding contract.

17.4 If the Franchisor and the personal representatives shall fail to agree the market price for the sale under clause 17.3(b) then the price shall be determined by an expert (agreed between the parties) whose decision shall be binding. Any costs of the expert to be borne equally by the parties.

17.5 In the event of death or incapacity of the Manager the Franchisor may appoint a manager of the Franchisee's Business who shall have full powers to run the Franchisee's Business at the expense of the Franchisee pending the recovery of the incapacitated person or the assignment or sale of the Franchisee's Business pursuant to this clause 17.

17.6 If the Manager is at any time incapacitated and in the reasonable opinion of the Franchisor unable to operate the Franchisee's Business in a responsible manner for a continuous period of three (3) months or a total period of ninety (90) days in any period of six (6) months the Franchisor may by notice in writing require the Franchisee to dispose of the Franchisee's Business whereupon the provision of this clause 17 shall apply.

17.7 The personal representatives of the deceased person shall, if reasonably requested by the Franchisor, do all such acts and things and execute all such documents as may be necessary to give effect to this clause 17.

18. TERMINATION

18.1 The Franchisor may terminate this Agreement immediately by giving notice in writing to the Franchisee in any of the following events:

(a) if the Franchisee or the Manager shall in the reasonable opinion of the Franchisor misuse or in any way impair the goodwill associated with the Brand or takes any action to contest the validity or ownership thereof;

(b) if the Franchisee shall purport to effect any assignment or other disposal of any of the rights or licences herein granted other than in accordance with the terms of this Agreement;

(c) if the Franchisee, the Manager or any senior employee of the Franchisee gives or has given to the Franchisor any false or misleading information or makes any misrepresentation in connection with obtaining this Agreement or at any time during the continuance of this Agreement in connection with the Franchisee's Business;

(d) if the Franchisee ceases or threatens to cease to carry on the Franchisee's Business within the Territory;

(e) if the Franchisee or the Manager discloses or permits or suffers the disclosure of any part of the Manual or other confidential information contrary to the terms hereof;

(f) if the Manager becomes incapacitated as specified in clause 17 above or becomes a patient as defined by the Mental Health Act 1983;

(g) if the Franchisee or the Manager commits or is found guilty of any criminal offence (except minor road traffic offences) or any act of fraud or dishonesty or fails to maintain a clear DBS check and/or otherwise conducts itself in a manner inconsistent with, or fails to discharge its duties and responsibilities hereunder to Customers;

(h) the Manager (and where more than one individual comprises the Manager either of them) shall have a Bankruptcy Order made against him/her or if a qualified insolvency practitioner shall be appointed in relation to his/her affairs pursuant to Section 273 of the Insolvency Act 1986 or if a Receiver or manager (including for the avoidance of doubt an Interim Receiver within the meaning of Part IX of the Insolvency Act 1986) shall be appointed in respect of him/her or the whole or any part of its property or estate or if an Interim Order shall be made in relation to him/her pursuant to Section 252 of the Insolvency Act 1986 or if he/she shall enter into any arrangement or composition with his/her creditors (including any voluntary arrangement within the meaning of Part VIII of the Insolvency Act 1986);

(i) the Franchisee being the subject of any winding up proceedings or going into liquidation (other than voluntarily for the purpose of amalgamation or reconstruction) or being unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 (or any statutory modification or re-enactment thereof) or suffering a distress or execution to be levied on or a Receiver or Administrative Receiver appointed over any property used in connection with the Franchisee's Business or if the Franchisee makes any arrangement with its creditors or any of them or a petition is approved for an Administration Order to be made in respect of it;

(j) if the Franchisee or the Manager shall be in breach of any of the terms of this Agreement except those set out above and the Franchisor shall have notified the Franchisee in writing of any such breach and the Franchisee shall have failed to remedy such breach within twenty-eight (28) days from the date of the notice; and

(k) in the event of any persistent breach of any of the Franchisee's or the Manager's obligations under this Agreement and for the purpose of this clause a persistent breach shall be interpreted as two (2) or more breaches of any of the Franchisee's or the Manager's obligations during any Year.

18.2 The Franchisor may terminate this Agreement by giving notice in writing if the Franchisee shall at any time:

(a) fail to pay on the relevant Payment Dates any amounts due and payable to the Franchisor hereunder; or

(b) fail to operate the Franchisee's Business in accordance with the terms of this Agreement, the Manual or the Franchisor's reasonable instructions; or

(c) fail to obtain any prior written approval or consent of the Franchisor expressly required by this Agreement or the Manual;

and within fourteen (14) days of its receipt of written notice of default from the Franchisor, shall fail to remedy such breach of its obligations hereunder to the Franchisor's satisfaction.

18.3 Whenever the Franchisor shall have the right to terminate this Agreement pursuant to the terms hereof it may:

(a) appoint a manager for the Franchisee's Business until such time until it actually so terminates the Agreement;

(b) reduce the size of the Territory; and/or

(c) remove the Franchisee's right of exclusivity.

19. CONSEQUENCES OF TERMINATION

19.1 Immediately upon the termination of this Agreement for any cause:

(a) the Franchisor shall immediately have the right (at its discretion) to provide the Services to Customers itself or via its other franchisees or to operate the Franchisee's Business in place of the Franchisee provided that written notice of its intent to do the latter shall be given to the Franchisee within seven (7) days following the date of termination. The benefit of the Franchisee's Business shall vest in the Franchisor or its nominee absolutely from the date on which the Franchisee's Business is operated by either or both of them provided that the Franchisee shall be indemnified against liability for any expense of the Franchisee's Business arising after (but not before) such date excepting any expense or liability referred to in clause (c)(iv) below. The Franchisee shall not be entitled to any payment arising from the exercise by the Franchisor of its rights hereunder nor in respect of any goodwill of the Franchisee's Business;

(b) where the Franchisee has employees in the Franchisee's Business if the exercise of the Franchisor's rights under clause (a) above is a transfer to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 or any amendment thereof apply the Franchisee hereby irrevocably agrees to indemnify the Franchisor and/or its nominee against any claims for wrongful and/or unfair dismissal and/or redundancy payments or any other claim arising from the exercise of the option by any person employed by the Franchisee immediately prior to the exercise of such option such indemnity shall include legal costs and disbursements incurred by the Franchisor and/or its nominee on a full indemnity basis;

(c) the Franchisee and/or the Manager shall:

(i) immediately cease to operate the Franchisee's Business and discontinue the use of the Brand, the System and any signs notices trademarks or other display or advertising matter indicative of the Franchisor or of any association with the Franchisor or the Business or the Services of the Franchisor nor will the Franchisee hold itself out as an operator of the Business or the Franchisee's Business;

(ii) immediately pay to the Franchisor all sums owing to it as provided for in this Agreement together with interest thereon to the date of payment;

(iii) return to the Franchisor forthwith, at the Franchisee's expense, in good condition, the Manual and any copies thereof in her possession together with all marketing material and any items hired or loaned by the Franchisor to the Franchisee;

(iv) immediately pay all debts owing to the Franchisee's creditors in connection with the Franchisee's Business;

(v) immediately cease to use the Software supplied to the Franchisee by the Franchisor and return or at the option of the Franchisor destroy (without copying) all elements of it including all software, hardware and documentation relating to it;

(vi) execute and deliver to the Franchisor any and all documents necessary to complete (or which would facilitate) the termination of this Agreement;

(vii) assign to the Franchisor in such form as the Franchisor shall reasonably require the benefits of all existing contracts with Customers for the Services and pay over to the Franchisor any sums received on account of such contracts without any deduction or right of set-off;

(viii) if so required by the Franchisor secure the transfer of the Telephone Numbers (except the Franchisee's mobile phone number) and email used in the Franchisee's Business to such person as the Franchisor may direct;

(ix) use its best endeavours to ensure the transfer of the Franchisee's Business to the Franchisor or to such person as the Franchisor may direct;

(x) provide to the Franchisor a list containing details of all Customers and potential customers of the Franchisee's Business; and

(xi) immediately cease to use the Telephone Numbers and not make or receive any telephone calls faxes or e-mails in connection with the Franchisee's Business and take all steps required by the Franchisor to transfer all listings of the Telephone Numbers in any directory to the Franchisor or as it may direct.

19.2 The termination of this Agreement whether automatically or by the Franchisor shall not in any way restrict, prejudice or prevent the Franchisor from exercising any right granted to it or available to it under this Agreement or from pursuing any claim for damages or from taking any other appropriate action against the Franchisee or the Manager in respect of any loss or damage arising from the breach by the Franchisee or the Manager of any of their obligations under the Agreement including (but not limited to) breaches of obligations which are expressed to continue after the termination or expiry of the Agreement.

19.3 On termination or expiry of this Agreement for any reason the Franchisor may, at its option, repurchase any Equipment, Products, Stationery, fixtures and fittings used by the Franchisee exclusively for the purpose of the Franchisee's Business at such price as the Franchisor reasonably considers to be its current market value. The Franchisee shall at its expense arrange for all insurance and transport of such Equipment, Products, Stationery, fixtures and fittings in accordance with the reasonable instructions of the Franchisor. If the Franchisor does not exercise this option within sixty (60) days of termination, the Franchisee shall be free to sell such items as it chooses.

19.4 On termination or expiry of this Agreement for any reason the Franchisee must return (at its expense and in good working order and condition) all items of equipment held on loan or hire from the Franchisor under the terms of this Agreement. Until such items have been returned or repossessed the Franchisee shall be solely responsible for their safe keeping supervision custody and insurance.

20. ACKNOWLEDGEMENT

The Franchisee and the Manager hereby acknowledge:

20.1 The exclusive rights of the Franchisor in the System and the Brand;

20.2 That in giving advice to and assisting the Franchisee and the Manager in establishing the Franchisee's Business in the Territory the Franchisor bases its advice and recommendations on experience actually obtained in practice and is not making or giving any representations guarantees or warranties with regard to such matters or generally in connection with the volume of turnover or profitability or any other aspect of the Franchisee's Business;

20.3 That the Franchisee and Manager have been advised by the Franchisor to seek appropriate independent advice and their decision to enter into this Agreement has been taken solely on the basis of their personal judgment and experience having taken such independent advice;

20.4 That at the date of this Agreement the Franchisee and Manager have no knowledge of the System or any competing system other than that communicated to them by the Franchisor in their dealings immediately prior to the execution of this Agreement;

20.5 That in entering into this Agreement and taking up a licence of the System and the Business the Franchisee and Manager understand and accept that there are commercial risks and an obligation to assist the Franchisor in developing the Services, the franchise support systems and procedures;

20.6 And it is hereby expressly agreed between the parties that each of the restrictions contained in this Agreement is reasonably necessary for the protection of the Franchisor and the other Jigsaw Performing Arts franchisees and the System and Brand and does not unreasonably interfere with the freedom of action of the Franchisee who enters into this Agreement with the benefit of legal advice in full knowledge of all the provisions hereof and the Franchisee and Manager acknowledge that all such provisions are fair and reasonable.

21. ASSIGNMENT BY THE FRANCHISOR

The Franchisor may assign or otherwise deal with the benefit and burden of this Agreement without any consent from the Franchisee subject, in the case of an assignment, to the assignee entering into a direct covenant with the Franchisee thereafter to observe and perform all the Franchisor's obligations herein contained. Submission by the assignee to the Franchisee of a covenant to the above effect duly executed by the assignee shall be deemed to be in compliance with the requirements of this clause and the Franchisor shall thenceforth be discharged from all obligations under this Agreement.

22. NOTICES

Any notice required to be given under this Agreement shall be in writing and may be delivered personally or sent by a prepaid or recorded delivery or registered post or other receipted mail or by fax or email and shall be deemed effective if sent by post within seventy two (72) hours after the same was posted whether or not received or if by fax or email immediately following dispatch to the said parties at their correct fax number or email addresses (provided that in the case of email the sender does not receive notification that the email has not been delivered for any reason).

23. ENTIRE AGREEMENT AND WAIVER

23.1 This Agreement and the Manual together contain the entire agreement between the parties and no representations warranties inducements or promises made by the Franchisor and no other agreements whether oral or otherwise not embodied herein shall add to or vary this Agreement or be of any force or effect.

23.2 No variation or waiver of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorised director or employee of the Franchisor and by the Franchisee.

23.3 No failure of the Franchisor to exercise any power given to it hereunder or to insist upon strict compliance by the Franchisee and/or the Manager with any obligation hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute any waiver of any of the Franchisor's rights under this Agreement.

23.4 Waiver by the Franchisor of any particular default by the Franchisee and/or the Manager shall not affect or impair the Franchisor's rights in respect of any subsequent default of any kind by the Franchisee or the Manager nor shall any delay or omission of the Franchisor to exercise any rights arising from any default of the Franchisee or the Manager affect or impair the Franchisor's rights in respect of the said default or any other default of any kind.

24. NO PARTNERSHIP OR AGENCY

The Franchisee shall not pledge the credit of the Franchisor nor represent itself as being the Franchisor nor an agent, partner, employee or representative of the Franchisor and shall not hold itself out as such nor as having any power or authority to incur any obligation of any nature express or implied on behalf of the Franchisor and nothing in this Agreement shall operate so as to constitute the Franchisee as an agent, partner, employee or representative of the Franchisor.

25. JOINT FRANCHISEES

Where the Franchisee is two or more individuals or a partnership then all covenants and agreements on the part of the Franchisee herein contained shall be deemed to be joint and several covenants on their part.

26. WARRANTIES WITHOUT AUTHORITY

The Franchisee and the Manager shall make no statement representation or claim and shall give no warranty or guarantee to any Customer or other person in respect of the Services, the Business or the System save such as are specifically authorised in the Manual or with the consent in writing of the Franchisor.

27. INDEMNITY BY THE FRANCHISEE

The Franchisee hereby agrees and undertakes fully and effectively to indemnify and keep indemnified the Franchisor as well after as before the expiry or termination hereof from and against all damages losses claims costs demands expenses and liabilities (including all professional fees) which the Franchisor may at any time incur as a result of any and all breaches by the Franchisee of the obligations specified in clauses 24 and 26 above or any other provisions of this Agreement or from any act default or neglect of the Franchisee or its employees agents or sub-contractors.

28. MANAGER'S COVENANTS

28.1 In consideration of the Franchisor entering into this Agreement with the Franchisee the Manager unconditionally covenants and guarantees to the Franchisor that the Franchisee will pay all amounts to be paid and otherwise observe and perform all terms and conditions to be so observed and performed in this Agreement and in any other agreement between the Franchisee and the Franchisor. If the Franchisee shall default in making any such payment or the observance or performance of any such obligations the Manager hereby covenants and agrees to pay to the Franchisor forthwith upon demand all amounts not so paid by the Franchisee and all damages that may arise in consequence of any such non-observance or non-performance.

28.2 Without in any way restricting or limiting the guarantee given by the Manager as set out above or any other rights and remedies to which the Franchisor may be entitled the Manager hereby covenants and agrees to indemnify and save the Franchisor harmless against any and all liabilities, losses, suits, claims, demands, costs, fines and actions of any kind or nature whatsoever to which the Franchisor shall become liable for or suffer by reason of any breach of violation or non-performance by the Franchisee of any term or condition of this Agreement or any other agreement made between the Franchisee and the Franchisor.

28.3 The Manager covenants and agrees with the Franchisor that during the currency of this Agreement he or she shall:

(a) hold in his or her own name (or, where there are two or more individuals comprising the Manager they shall hold together) not less than fifty one per cent (51%) of the issued voting capital of the Franchisee and use his or her best endeavours to procure that the Franchisee, its shareholders and directors do not increase the authorised share capital of the Franchisee nor transfer any shares in the Franchisee without first seeking the written approval of the Franchisor;

(b) observe and perform as Manager all the restrictions and obligations on the part of the Franchisee to be observed and performed under the terms of this Agreement;

(c) be a director of the Franchisee;

(d) not be associated directly or indirectly as an employee, proprietor, shareholder, agent or officer in any business competing with the Business; and

(e) devote his/her full time and attention to the Business except to the extent and in the manner expressly and previously agreed in writing by the Franchisor.

28.4 No dealings of whatsoever kind between the Franchisor and the Franchisee and/or any other persons as the Franchisor may see fit whether with or without notice to the Manager shall exonerate release discharge or any way reduce the obligations of the Manager in whole or in part and in particular and without limiting the generality of the foregoing the Franchisor may modify or amend or assign this Agreement, grant any indulgence, release, postponement or extension of time, waive any term or condition of this Agreement or any obligation of the Franchisee, take or release any securities or other guarantees for the performance by the Franchisee of its obligations and otherwise deal with the Franchisee and/or any other persons as the Franchisor may think fit without effecting lessening or limiting in any way the liability of the Manager. The Manager hereby expressly waives notice of all or any default of the Franchisee.

28.5 Any settlement made between the Franchisor and/or the Franchisee and/or any other persons as the Franchisor may see fit to deal with, or any determination made pursuant to this Agreement which is expressed to be binding on the Franchisee shall be binding upon the Manager.

28.6 Without in any way limiting the generality of any other clause of this Agreement the covenants and agreement of the Manager contained in this clause shall endure to the benefit of and be binding upon the Manager and his heirs executors administrators successors and assigns and shall survive the expiry or termination of this Agreement.

28.7 If there are two (2) or more persons named as Manager as parties to this Agreement all covenants and agreement on the part of the Manager shall be deemed to be joint and several covenants and obligations on their part.

29. SEVERANCE

In the event that any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable the parties shall amend that provision in such reasonable manner as achieves the intention of the parties without illegality or at the discretion of the Franchisor it may be severed from this Agreement and the remaining provisions of this Agreement shall remain in full force and effect unless the Franchisor decides that the effect of such declaration is to defeat the original intention of the parties in which event the Franchisor shall be entitled without liability to terminate this Agreement by notice in writing to the Franchisee to that effect and in such circumstances the provisions of clause 19 shall apply accordingly.

30. HEADINGS

The headings contained in this Agreement are for reference purposes only and do not form part of this Agreement and shall not be deemed to be any indication of the meaning of the clauses and sub-clauses to which they relate.

31. FORCE MAJEURE

Neither of the parties to this Agreement shall be responsible to the other for any delay in performance or non-performance due to any causes beyond the reasonable control of the parties hereto and the effected party shall promptly upon the occurrence of any such cause so inform the other party in writing stating that the cause that has delayed or prevented its performance hereunder and thereafter such party shall take all actions within its power to comply with the terms of this Agreement as fully and promptly as possible.

32. COMPLIANCE WITH LEGISLATION

32.1 The Franchisor has the right, at any time, to make such amendments to this Agreement as it (in its sole discretion) deems necessary to ensure that the same is compatible with:

(a) any block exemption from time to time in force which may (in whole or in part) replace Commission Regulation No. 330/2010 (or any amendment or re-enactment of it); and/or

(b) any other law, statute, ordinance, decree, treaty, regulation, directive, order, notice or official published plan or policy with legal or actual force in any geographical area which could affect the legality or enforceability of this Agreement (or part of it);

and to ensure that all the provisions of this Agreement are binding upon the parties and enforceable against them under any relevant legislation.

32.2 The Franchisor will notify the Franchisee in writing of any amendments it considers to be necessary at any time upon advice received in writing by it from a solicitor or barrister experienced in franchising and the reasons therefor and request the Franchisee's approval thereto. Upon receipt of the Franchisee's written agreement to the same such amendments shall be incorporated in and form part of this Agreement. If however after a period of twenty-eight (28) days following written notice from the Franchisor to the Franchisee the Franchisee shall not have confirmed its agreement thereto such amendments shall be deemed to be incorporated into this Agreement as if the same had been expressly agreed between the parties hereto.

33. THIRD PARTY RIGHTS

33.1 This Agreement does not create any right enforceable by any person not a party to it except that a transferee, successor or assignee pursuant to clauses 16, 17 and 21 is deemed to be a party to this Agreement.

33.2 This Agreement may be rescinded or varied without the consent of or the need to give any notice to any person not a party to it.

34. DATA PROTECTION

34.1 In this clause and elsewhere in this Agreement where the same may be used the following terms and expressions shall have the following meanings:

Data Controller has the meaning given to it in the Data Protection Legislation.

Data Protection Legislation means the Data Protection Act 1998, the EU Data Protection Directive 95/46/EC, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive)

	Regulations 2003 (SI2003/2426), the law implementing the Network and Information Systems Security Directive 2016/1148, the GDPR, including any national implementing laws, regulations or secondary legislation, and all applicable laws, statutes, regulations and standards relating to processing and/or security of personal data, privacy, electronic communications or direct marketing, as each are amended, updated or replaced from time to time, and including where applicable any guidance, notices and/or codes of practice issued by the Article 29 Working Party, the European Data Protection Board, the Data Protection Authority, any applicable Supervisory Authority and/or Government department in relation to applicable data protection law..
Data Subject	has the meaning given to it in the Data Protection Legislation.
GDPR	means General Data Protection Regulation (2016/679) of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.
Permitted Recipients	means the Franchisee's officers, employees, agents, consultants and sub-contractors and any third party engaged by the Franchisee to perform obligations in connection with this Agreement.
Personal Data	has the meaning given to it in the Data Protection Legislation
Personal Data Breach	means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed.
Process	means either any activity that involves the use of Personal Data or as the Data Protection Legislation may otherwise define and shall include (and "**Processing**" and "**Processes**" shall be construed accordingly);
Supervisory Authority	has the meaning given to it in the Data Protection Legislation

34.2 The Franchisee shall comply with all applicable requirements of the Data Protection Legislation. This clause 34 is in addition to, and does not relieve, remove or replace, the Franchisee's obligations under the Data Protection Legislation. For the purposes of this Agreement, the Franchisor and the Franchisee shall each be Data Controllers when processing Personal Data.

34.3 The Franchisee acknowledges that it shall disclose Personal Data relating to its customers, employees, workers and other third parties collected by the Franchisee in connection with its obligations under this Agreement to the Franchisor on a regular basis.

34.4 Without prejudice to clause 34.2, the Franchisee shall:

(a) promptly provide a copy of, or give full and proper access to, all or any of the Personal Data processed by the Franchisee under this Agreement in its possession or control to the Franchisor on the Franchisor's written request;

(b) ensure that it has all necessary appropriate consents and notices in place to enable lawful transfer of Personal Data to the Franchisor in connection with this Agreement;

(c) provide full information to any Data Subject whose Personal Data may be processed under this Agreement in respect of the nature of such processing, including (without limitation) giving notice that, on the termination of this Agreement, Personal Data relating to the Data Subject will be transferred to and retained by the Franchisor, its successors and/or assigns;

(d) process the Personal Data only for the purposes required for the operation of the Business;

(e) maintain confidentiality of all Personal Data and not disclose or allow access to the Personal Data to any third party other than the Permitted Recipients, without the Franchisor's prior written consent;

(f) ensure that all Permitted Recipients:

(i) are informed of the confidential nature of the any Personal Data disclosed to them;

(ii) are subject to written contractual obligations concerning the Personal Data (including obligations of confidentiality) which are no less demanding than those imposed by this Agreement; and

(iii) (are aware of the Franchisee's duties and its obligations under the Data Protection Legislation and this Agreement;

(g) ensure that it has in place appropriate technical and organisational measures, reviewed and approved by the Franchisor, to protect against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the Personal Data to be protected, having regard to the state of technological development and the cost of implementing any measures;

(h) without undue delay, but in any event within 48 hours, notify the Franchisor on becoming aware of any Personal Data Breach or breach of the Data Protection Legislation, and provide the Franchisor with the following information:

(i) a description of the nature of the breach, including the categories and approximate number of both Data Subjects and Personal Data concerned;

(ii) the likely consequences; and

(iii) a description of the measures taken, or proposed to be taken to address the breach, including measures to mitigate its possible adverse effects;

(i) immediately following a Personal Data Breach or breach of Data Protection Legislation, co-operate with the Franchisor (at the Franchisee's cost) to investigate the matter in full, including providing the Franchisor with physical access to any facility and operations affected and making available all relevant records, logs, files, data reporting and other materials required to comply with the Data Protection Legislation, or as otherwise reasonably required by the Franchisor;

(j) not inform any third party of any Personal Data Breach or breach of the Data Protection Legislation without the Franchisor's prior written consent, except where required to do so by law;

(k) not transfer or otherwise process Personal Data outside the European Economic Area ("EEA") without the Franchisor's prior written consent, and where such consent is given, the conditions required by the Data Protection Legislation and/or referred to in the Manual are fulfilled;

(l) promptly inform the Franchisor in writing about the receipt of any Data Subject access request;

(m) assist the Franchisor, at the Franchisee's cost, in responding to any request from a Data Subject (including a Data Subject access request) and in ensuring compliance with the Franchisor's obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with Supervisory Authorities;

(n) use compatible technology for the transfer or disclosure of Personal Data to the Franchisor to ensure that there is no lack of accuracy resulting from Personal Data transfers;

(o) keep detailed, accurate and up-to-date written records regarding any processing of Personal Data it carries out in connection with this Agreement (Records);

(p) permit the Franchisor (or its third party representative) to audit the Franchisee's compliance with its obligations under this clause 37 on reasonable notice, and give the Franchisor (or its third party representatives) all necessary assistance to conduct such audit, as may be more particularly described in the Manual; and

(q) apply for and maintain appropriate registrations and pay any necessary fees as required in connection with the Franchisee's status as a Data Controller under the Data Protection Legislation.

34.5 Without prejudice to any other provisions of this Agreement, the Franchisee shall comply with any additional requirements set out in the Manual from time to time in respect of data protection compliance and/or the Data Protection Legislation.

34.6 The Franchisee acknowledges that the Franchisor shall disclose the Personal Data of the Franchisee and/or Manager to the British Franchise Association ("BFA") and such other third parties as the Franchisor shall determine from time to time, where such disclosure is necessary to meet the Franchisor's obligations to the BFA or for the performance of this Agreement or otherwise in the Franchisor's legitimate business interests.

34.7 On termination or expiry of this Agreement, for any reason, the Franchisee shall:

(a) give the Franchisor a copy of, or access to, all or any Personal Data processed in connection with this Agreement in the Franchisee's possession or control in the format and on the media reasonably specified by the Franchisor;

(b) absolutely and with full title guarantee assign to the Franchisor (or any third party nominated by the Franchisor for the purpose) any intellectual property rights in any customer database or other database containing Personal Data; and

(c) securely delete or destroy, or if directed by the Franchisee, return and not retain, all or any Personal Data related to this Agreement in its possession or control, unless required by any applicable law to retain the Personal Data. If required by an applicable law to retain the Personal Data, the Franchisee shall notify the Franchisor in writing of the retention requirement, giving details of the documents or materials that it must retain, the legal basis for retention and confirmation of the timeframe for destruction once the retention requirement ends.

34.8 The Franchisee shall indemnify the Franchisor for all losses, liabilities (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation, and all interest, penalties and legal costs (calculated on an indemnity basis)), fines, costs, damages, expenses (including management time) and charges incurred or suffered by the Franchisor arising from or in connection with an act or omission of the Franchisee or its officers, employees, agents, consultants or subcontractors in breach of this clause 34 or non-compliance with the Data Protection Legislation.

34.9 The Franchisee acknowledges and agrees that any material breach by it of this clause 34 and/or the Data Protection Legislation shall, constitute a material breach of this Agreement entitling the Franchisor to terminate the same.

35. DISPUTE RESOLUTION

If any dispute of any kind arises between the parties under this Agreement the parties shall attempt to settle by mediation under the British Franchise Association's mediation scheme or, where this is not available, using the Centre of Effective Dispute Resolution (CEDR). To initiate the mediation, a party shall give written notice to the other (the ADR Notice). The mediation shall start not later than thirty (30) days after the date of the ADR Notice provided that notwithstanding the application of mediation, the Franchisor:

(a) shall not be prevented from terminating this agreement under clause 18 and/or from applying to a competent court to enforce the provisions of clause 19; and

(b) shall be entitled to seek such injunctions and/or order specific performance as may be necessary to enforce the provisions of this Agreement relating to the Franchisor's confidential information, the Brand, use of the System and/or de facto control of the Franchisee's Business.

36. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this Agreement, but all the counterparts shall together constitute the same agreement. No counterpart shall be effective until each party has executed at least one counterpart.

37. GOVERNING LAW AND JURISDICTION

This Agreement shall be read and construed and shall take effect as an agreement made under English law and shall be subject to the exclusive jurisdiction of the English courts.

THIS AGREEMENT HAS BEEN ENTERED INTO AS A DEED ON THE DATE STATED AT THE BEGINNING OF IT.

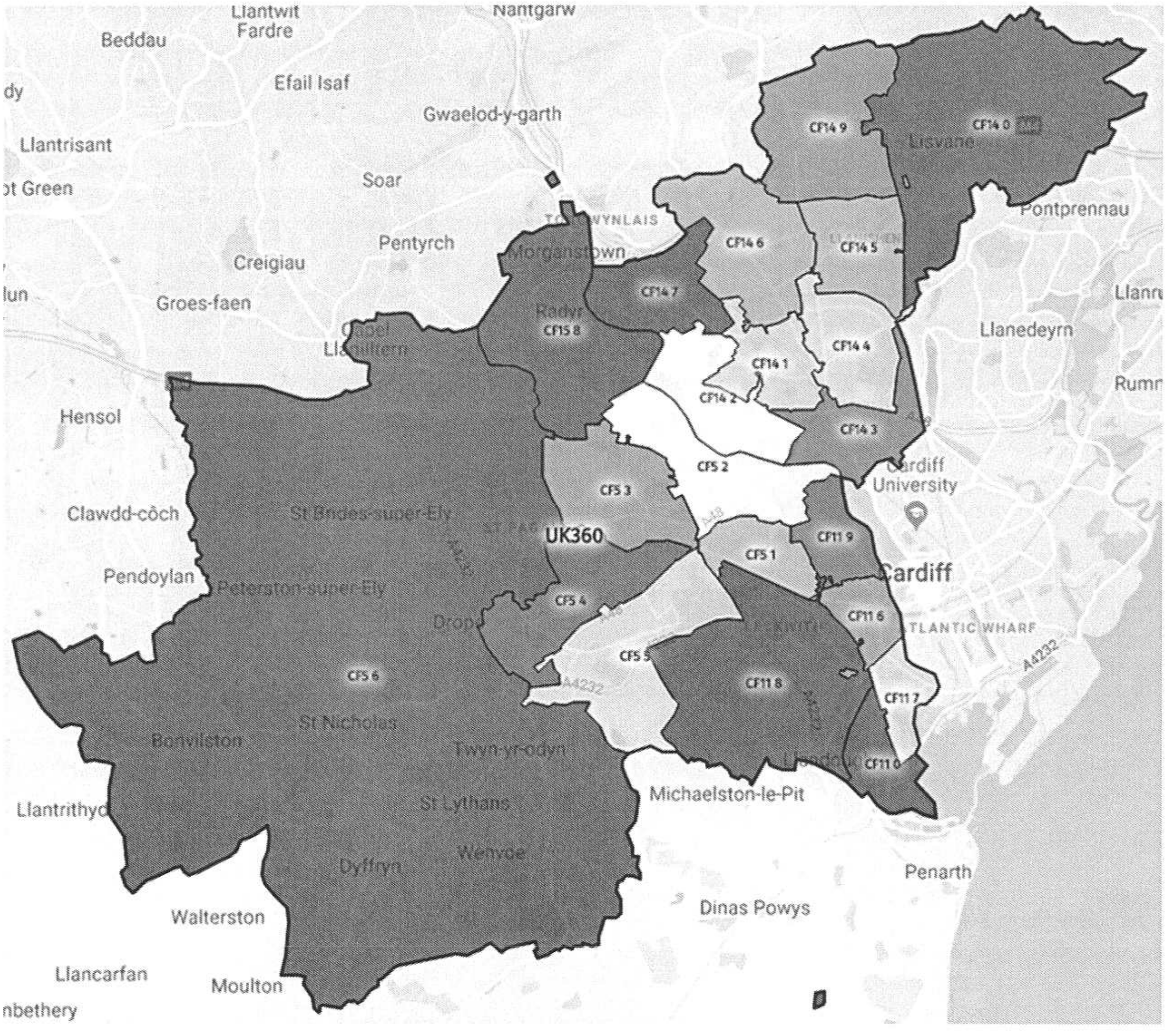
SCHEDULE 1

SPECIFIC ITEMS

Part A: The Territory

The post code areas set out below and shown for identification only on the map below:

CF5 1	CF5 2	CF5 3	CF5 4	CF5 5	CF5 6	CF11 0
CF11 6	CF11 7	CF11 8	CF11 9	CF14 0	CF14 1	CF14 2
CF14 3	CF14 4	CF14 5	CF14 6	CF14 7	CF14 9	CF15 8



Part B: Key Dates

Start Date: 1 August 2019

Expiry Date: 31 July 2024

Part C: Initial Fee

Initial Fee:	£4995 plus VAT
Initial Set Up Costs:	Nil
Total:	£4995 plus VAT

VAT shall be payable on the Initial Fee.

Part D: Equipment

Tablet computer
Wireless Printer
First Aid Training
Up to date DBS check
Child protection online course
Clothing stock – 30 x Childrens short sleeve t shirts, 3 x Adult short sleeve t shirts, 10 x Childrens long sleeve t shirts, 3x Adult Long sleeve t shirts
Equipment Bag containing: Speaker, leaflet Holders, general box, Uniform display, pull up banners x 2, Kettle / Mugs, First Aid Kit, A Board, banner, jigsaw Joey mascot

Part E: Stationery / Advertising / Software

Prospectuses	x25
Headed paper	x500
Posters	x100
Pens	x20
Uniform Order Forms	x200
Birthday cards	x50
Envelopes	x200 (various sizes)
Folders	x40
Welcome Bags	x100
Leaflets	x30000
Sticker Sheets	x20

The following are additional items which the Franchisee will require but which do not form part of the Start-Up Package:

The Software	£20 a month plus VAT
Email system	£2.50 per month plus VAT
Employers and Public Liability Insurance	
Card payment charge (currently WorldPay)	1.5% processing fee on every transaction

The above prices are subject to review by the Franchisor and may be updated from time to time by the Franchisor at its discretion. Any such price changes shall be notified to the Franchisee or updated in the Manual.

Part F: Permitted Name

"Jigsaw Performing Arts (Cardiff West)"

SCHEDULE 2
PRODUCTS AND SERVICES

Part A - Products

ITEM	**Cost to Franchisee**
SHORT SLEEVE T-SHIRTS	
Child	£5.00
Adult	£6.00
LONG SLEEVE T-SHIRTS	
Child	£6.50
Adult	£7.50
VEST TOPS	
Child	£6.75
Adult	£7.75
GIRL'S DANCE PANTS	
Child	£9.80
Adult	£11.00
JOGGING BOTTOMS	
Child	£9.80
Adult	£11.00
FRONT ZIP HOODIE	
Child	£12.00
Adult	£13.00
Personalised extra cost	£2.50

The above prices are subject to review by the Franchisor and may be updated from time to time by the Franchisor at its discretion. Any such price changes shall be notified to the Franchisee or updated in the Manual.

Part B - Services

Performing arts classes provided in venues approved by the Franchisor including (but not limited to):

1. Weekend theatre schools
2. Birthday parties
3. Summer schools
4. "Jigsaw Jumpers" Pre-School Programme*

*The Franchisee shall only be permitted to operate and run the "Jigsaw Jumpers" Pre-School Programme once he has completed the Franchisor's additional half-day training course to the satisfaction of the Franchisor and has purchased the additional "Jigsaw Jumpers" equipment package required to operate that programme.

SCHEDULE 3

TRADE MARK

Trade Mark No:	3014891
Filing Date:	23 July 2013
Registration Date:	15 November 2013
Mark:	
Class:	41

Executed as a deed by **JIGSAW ARTS FRANCHISE LIMITED** acting by a director in the presence of:))) ....AS Hutchings....

....
Witness signature:

Witness Name: Kelly Nicholas

Address: 53 Portland St, St Albans, AL3 4RA

Occupation: Office Manager

SIGNED by **PHILIPPA SARA ATKINS** (a director) for and on behalf of **JIGSAW ARTS CARDIFF WEST LTD** in the presence of:)) ....

....
Witness signature:

Witness Name: Ross Mitchell

Address: 25 The Rise, Llanishen Cardiff CF14 0RB.

Occupation: Financial Adviser.

SIGNED by **PHILIPPA SARA ATKINS** in the presence of:)) ....

....
Witness signature:

Witness Name: Ross Mitchell

Address: 25 The Rise, Llanishen Cardiff CF14 0RB.

Occupation: Financial Adviser.

SIGNED by **JAMES MICHAEL ATKINS** in the presence of:)) ....

....
Witness signature:

Witness Name: Ross Mitchell.

Address: 25 The Rise, Llanishen Cardiff CF14 0RB

Occupation: Financial Adviser.

Jigsaw Arts Franchise Limited
Registered Office: 64-66 High Street, Barnet, Herts, EN5 5SJ
Company Registration No: 08763212

Mr and Mrs Atkins
Jigsaw Arts Cardiff West Ltd
61 Partridge Road
Cardiff
Wales CF24 3QY

Dated: 3rd JUNE 2019

Dear Philippa and James

Re: Jigsaw Arts Franchise Agreement for Cardiff West between Jigsaw Arts Franchise Limited (1), Jigsaw Arts Cardiff West Ltd (2) and Philippa Sara Atkins and James Michael Atkins (3)

In consideration of you entering into the Franchise Agreement with our company of even date (the "**Franchise Agreement**"), we hereby confirm and agree to the provisions set out in this Side Letter. The terms and expressions used in this Side Letter shall (save where the context otherwise requires) have the same meaning as that attributed to them in the Franchise Agreement. We confirm as follows:

1. That James Michael Atkins shall not be involved in the operation of the Franchisee's Business and therefore will not be required to undertake the training requirements referred to under clause 8 of the Franchise Agreement.

2. That as Philippa Sara Atkins is an existing Jigsaw franchisee under a Franchise Agreement made between her and our company dated 4 October 2018 for the territory of Cardiff, and as she is already trained in the operation of the System, we confirm that she shall not be obliged to undertake the initial training referred to in clause 8.1 of the Franchise Agreement. Furthermore the initial obligations of the Franchisor under clause 6 of the Franchise Agreement shall not apply and clause 6 shall be varied accordingly.

3. That the Initial Set Up Costs under the Initial Fee listed under Schedule 1 Part C of the Franchise Agreement shall be zero and the only fee to pay on commencement of the Franchise Agreement shall be £4,995 plus VAT.

4. You will, at all times, keep strictly confidential and not disclose to any third party (save with our prior consent) the concessionary commercial terms agreed between us and you herein. These concessions and the benefit of this Side Letter are personal to you and your company and the benefit of them may not be transferred to any third party whether as a purchaser of the Franchisee's Business or otherwise nor will they extend beyond the term of the Franchise Agreement. Any renewal of the franchise will be under a new agreement and in accordance with clause 4 of the present Franchise Agreement.

5. Notwithstanding the provisions of clause 23 of the Franchise Agreement the parties hereto acknowledge and agree that this Side Letter shall be deemed to form part of the Franchise Agreement and shall be read and construed in conjunction with it. To the extent that the provisions of this Side Letter vary or modify the terms of the Franchise Agreement the terms of this Side Letter shall prevail.

I should be grateful if you would confirm your agreement and consent of the above by signing the endorsement at the foot of this letter.

Yours sincerely

....
For and on behalf of **Jigsaw Arts Franchise Limited**

We hereby confirm agreement to the above:

....
For and on behalf of **Jigsaw Arts Cardiff West Ltd**

....
Philippa Sara Atkins

....
James Michael Atkins