

RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT made as of the ____ day of _____, _____

BETWEEN:

FRANCHISOR

of _____
(the "Franchisor")

OF THE FIRST PART

AND:

FRANCHISEE

of _____
(the "Franchisee")

OF THE SECOND PART

WHEREAS:

- A. The Franchisor has invested much time and money in developing its business of _____, including the development of good relations with its suppliers and customers and the development of goodwill generally;
- B. The Franchisee has agreed to be, or currently is, a licensed franchisee of the Franchisor for a _____ year period commencing on the ____ day of _____, _____ with an option to renew for a further _____ year term and pursuant to the Franchise Agreement has agreed to be bound by the terms and conditions herein set forth.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the sum of \$1.00 now paid by the Franchisor to the Franchisee (the receipt and sufficiency of which is hereby acknowledged) and in furtherance of the license (the "License") granted to the Franchisee by the Franchisor, in accordance with the terms and provisions of a Franchise Agreement entered into by the parties on the ____ day of _____, _____, it is agreed by and between the parties hereto as follows:

ARTICLE I - RESTRICTIVE COVENANT

1.01 Non-Competition

The Franchisee acknowledges that in the course of the License with the Franchisor, it shall acquire access to confidential, proprietary and trade secret information, as those terms are defined in paragraph 2.02 hereof, and the Franchisee further acknowledges that if it were to compete against the Franchisor or an affiliate of the Franchisor (as that term is defined in the _____ Act or be employed or be in any way involved with a person or company that was in competition with the Franchisor or an affiliate of the Franchisor, the Franchisor would suffer irreparable damages. Accordingly, the Franchisee hereby covenants and agrees that it will not, during any of the periods specified in Schedule "A" hereto and within any of the geographical areas specified in Schedule "B" hereto, directly or indirectly, either individually or in partnership or jointly or in conjunction with any other person or persons, including, without limitation, any individual, firm, association, syndicate, company, corporation or other business enterprise, as principal, agent, shareholder, partner, officer, director, investor, consultant, advisor, guarantor, employee or in any other capacity whatsoever carry on or be engaged in or concerned with or interested in, or advise, lend money to or guarantee the debts or the obligations of any person or persons, including, without limitation, any individual, firm, association, syndicate, company, corporation or other business enterprise engaged in or concerned with or interested in any business or any part thereof presently carried on by the Franchisor or any of its affiliates.