

CONSTRUCTION ADMINISTRATION AGREEMENT

AGREEMENT

BETWEEN

(NAME OF FRANCHISOR)

-and-

INDEX

Construction Administration Agreement..... 1
AGREEMENT 1
BETWEEN 1
(NAME OF FRANCHISOR) 1
-and- 1

INDEX..... 2
1. Development of the Premises..... 3
2. Detailed Plans and Specifications 3

THIS AGREEMENT made the _____ day of _____, _____,

BETWEEN:

(FRANCHISOR)
a corporation incorporated under the laws
of the State of _____,

(hereinafter called the "Franchisor")

OF THE FIRST PART;

-and-

_____ of the _____ of _____,
in the State of _____,

(hereinafter called the "Franchisee")

OF THE SECOND PART.

WHEREAS the Franchisor and the Franchisee have entered into a franchise agreement (the "Franchise Agreement") dated the _____ day of _____, _____, wherein the Franchisor granted to the Franchisee a franchise to operate a _____ (describe franchise business) at _____ (insert address of premises) (the "Premises");

AND WHEREAS the Franchisee has requested the Franchisor to supervise the construction and renovation of the Premises, as herein provided;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants herein and for other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged) the parties agree as follows:

1. Development of the Premises

The Franchisee hereby retains the Franchisor to arrange for and to supervise the construction and renovation of the Premises and the installation therein of such fixtures, furnishings, equipment, inventory, signs, supplies, training supplies and aids, sundry equipment and other items as may be required in order to permit the Franchisee to open the Premises for business as a _____ (insert franchise). The construction, renovation, equipping and furnishing of the Premises as aforesaid is hereinafter called the "Development of the Premises".

2. Detailed Plans and Specifications

- (a) The Franchisor will arrange for the preparation of detailed plans, specifications and drawings (collectively, the "Plans") for the design, layout and construction of the Premises, in accordance with the Franchisor's standard plans and specifications. Subject to the provisions of Subparagraph 2(b), the Franchisor shall have the right from time to time to authorize variations in the Plans without the approval of the Franchisee, provided that the increase in the total cost of the Development of the Premises as a result of all variations does not exceed ten percent (10%) of the projected total cost of the Development of the Premises, as set out in the written estimate referred to in Paragraph 5.