

# IPROPSTORE FRANCHISE AGREEMENT

THIS AGREEMENT made this 15th day of June 2024, effective on same day, between Stallion Technologies LLC [hereinafter referred to as “Franchisor”] Stallion Technology Ltd 15 Admiralty Way, Lekki, Lagos, Nigeria an online Innovation and IT Technology development company owners of Ipropstore.com, AdvanceQT.com, Healthcare800.com along with Questets.com and Medicruz.com which includes the IT intellectual property platforms for Ipropstore E Commerce franchise Port Harcourt GRA, Rivers State, Nigeria and Mr. Emmanuel Otajonor, Port Harcourt, River State, Nigeria [hereinafter referred to as “Franchisee”]

WHEREAS the Franchisee agrees to purchase from Franchisor Ipropstore Online and or Location Franchise as delineated in the tier levels of franchises listed herewith. Franchisor owns and maintain Ipropstore.com, an online server-based IT platforms which provides wholesome online store units for sales and marketing various ecommerce products, consultations for professional services and wholesale trading platforms for ecommerce sales as well as location site commerce sales of products.

Whereas The Parties acknowledge and agree that this Agreement does not create a partnership or joint venture between them and is exclusively a contract for franchise services. In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:

**Agreement** means this Master Development Agreement including all its schedules, annexes, and exhibits.

**Franchisor** refers to Stallion Technologies Ltd

**Franchisee** refers to Franchise buyer

**Intellectual Property Rights** refers to all patents, copyrights, design rights, trademarks, trade secrets, and other forms of intellectual property owned by Franchisor.

**Product** or **Service** refers to the specific product or service that the franchisee is buying from franchisor

**Confidential Information** refers to any information that is not publicly available and is disclosed by one party to the other in the course of this Agreement.

**Effective Date** refers to the date when this Agreement comes into effect.

**Term** refers to the duration of this Agreement.

### **Intellectual Property Rights**

4.1 1. Ownership of Pre-Existing Intellectual Property: Each Party acknowledges and agrees that, as between the Parties that the Franchisor owns and shall continue to own all right, title, and interest in and to its Pre-Existing Intellectual Property.

4.2.  
4.3 .Protection of Intellectual Property: Each Party shall take all reasonable steps to protect the Intellectual Property Rights granted under this Agreement against third party infringement. The franchisor shall bear the cost of any registration or protection of the Developed Intellectual Property.

4 .Infringement of Intellectual Property: In the event of any infringement or threatened infringement of the Intellectual Property Rights, the Party becoming aware of the same shall promptly notify the other Party. The Franchisor shall have the right, but both parties the obligation, to take action against the infringer at its own cost, which may be refunded at reasonable cost by franchisor.

4 Use of Intellectual Property Post-Termination: Upon termination of this Agreement for any reason, the franchisee shall immediately cease all use of the franchisor's Intellectual Property and shall return or deliver, as directed by the franchisor, all materials containing or referencing the franchisor's Intellectual Property.

ee  
4. Ownership of Developed Intellectual Property: All right, title, and interest in and to any Intellectual Property Rights in the Product or Service developed under this Agreement ("Developed Intellectual Property") shall belong to the franchisor immediately upon creation, unless otherwise agreed in writing by the Parties.

4. Protection of Intellectual Property: Each Party shall take all reasonable steps to protect the Intellectual Property Rights granted under this Agreement against third party infringement. The franchisor shall bear the cost of any registration or protection of the Developed Intellectual Property.

4. Infringement of Intellectual Property: In the event of any infringement or threatened infringement of the Intellectual Property Rights, the Party becoming aware of the same shall promptly notify the other Party. The franchisor shall have the right, but both parties the obligation, to take action against the infringer at its own cost which may be refunded at reasonable cost by franchisor.

4. Use of Intellectual Property Post-Termination: Upon termination of this Agreement for any reason, the franchisee shall immediately cease all use of the franchisor's Intellectual Property and shall return or deliver, as directed by the franchisor, all materials containing or referencing the franchisor's Intellectual Property.

F "Confidential Information" means all information disclosed by one Party (the "Disclosing Party") to the other Party (the "Receiving Party"), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Confidential Information includes, but is not limited to, the terms of this Agreement, business and marketing plans, technology and technical information, product designs, and business processes.

5 .2.The Receiving Party shall: (i) protect the confidentiality of the Confidential Information of the Disclosing Party using the same degree of care that it uses with its own confidential information, but in no event less than reasonable care, (ii) not use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement, and (iii) not disclose Confidential Information of the Disclosing Party to any third party, except with the Disclosing Party's prior written consent.

.3. Notwithstanding the foregoing, the Receiving Party may disclose Confidential Information to the extent required by law or court order, provided it gives the Disclosing Party reasonable prior notice to seek a protective order or equivalent, unless such notice is prohibited by law.

5.4.

## Appointment of Franchisee

AA

2 Subject to the terms and conditions of this Agreement, the Franchisor hereby appoints the Franchisee, who accepts such appointment, as a franchise owner online e-Commerce designated in Port Harcourt GRA, Rivers State, Nigeria

2.2. The Franchisee shall have the right to use the Intellectual Property Rights of the franchisor solely for the purpose of operating the franchise in accordance with the terms of this Agreement.

- 2.3. The Franchisee's appointment is subject to the following restrictions and limitations:
- (a) The Franchisee shall not sublicense, assign, transfer, or otherwise dispose of any of its rights under this Agreement without the prior written consent of the franchisor.
  - (b) The Franchisee shall not use the Intellectual Property Rights of the franchisor for any purpose other than the specified services in this franchise without the prior written consent of the franchisor.
  - (c) The Franchisee shall not engage in any activities that compete directly with the Franchisor's business during the Term of this Agreement.
- 2.4 The term of the Franchisee's appointment shall commence on the Effective Date and continue for the period specified herein, unless earlier terminated in accordance with the terms of this Agreement.
- 2.5 The Franchisee's appointment is subject to the Franchisee obtaining all necessary regulatory approvals and meeting all development milestones as set out in all Schedules Requirements of this Agreement.
- 1.1.

Organization's online products and services includes our online Ipropstore.com E Commerce Platform, AdvanceQT Business Provider Freelance, Appointment and Reservation Management Systems (ARMS), Electronic Records for commercial offices in services System (OTR) in Quest CTS System, or additional IT innovative products which contributes to the franchise sale of one of the tiers of franchise service. The franchise tier for sale here is:

Ipropstore Online E-Commerce Franchise Tier 1 Webpage

## 1. FRANCHISE PAYMENT

- 1 1.1 In consideration of the rights granted to the franchisee under this Agreement, shall pay to the franchisor an upfront fee of amount specified herein for the tier level on the Effective Date.
- 1.2. In addition to the upfront fee, the franchisee shall pay the franchisor milestone payments as set out in Schedule 1 upon the achievement of the respective milestones.
6. 1.3. The franchisee shall also pay to the franchisor a royalty of 3.5 of Net Sales of the Product or Service, payable per each sale on the online platform completed as



online merchant payment at completed and obtained by the online Iprostore merchant card platform.

- 6 1.4. All payments under this Agreement shall be made in value to the US dollars (Or other local currency) by the designated electronic or wire payment
- 6 1.5. All amounts payable under this Agreement are exclusive of VAT, which shall be added at the prevailing rate where applicable and paid by the franchisee.
- 6 1.6. If any payment due under this Agreement is not made by the due date, the franchisee shall pay interest on the overdue amount at the rate specified in the Late Payment of 1% a month, accruing daily from the due date until the date of actual payment.
- 6. 1.7. The franchisee shall provide the franchisor or as electronically obtained by franchisor with a monthly royalty report, setting out in reasonable detail the calculation of the royalties due for that month. Such copies may come from franchisor to franchisee in the Ipropstore E- Commerce platform system.
- 6 1. 8. The franchisor shall have the right to audit the franchisee's records relating to the calculation of royalties or any maintenance fees, upon reasonable notice and during normal business hours.
- 1.9. Ipropstore Online Franchise Tier 1 Payment - Initial Franchise fee of N4.5M to be paid as N2M initial payment to commence the franchise engagement to start building the franchise database and commencement of a 4-week training for the franchise. 2 additional installments of N1.25M due midway through the first 3 weeks of training and N1.25M at the completion of the franchise training. For more details see franchise product manual or schedule A and a franchisor credit facility extended to franchisee with an enclosed loan agreement and promissory note to make payment by franchisee.

## 2A. FRANCHISEE OBLIGATIONS:

2A.1 Complete the Stallion Technologies Ltd Sales and Marketing Training, onboarding as scheduled for franchisees and be certified as completed required training and or an onboarding by the Corporation.

2A.2 Make timely payments of all required fees to the franchisor and be in financial good standing. Franchisees may not default on any monthly payments as due and if late payment occurs, franchise will have 7 to 10 days to cure such late payment. If late payment persists after 15 days, franchisee

will be considered in default, if no written request showing cause of late payment and scheduled date with approval from franchisor to correct such late payment. A default franchisee account if uncured may be terminated by franchisor in 15 – 30days.

2A.3 Franchisee will attend Corporation Sales and Marketing continuous departmental training and monthly review sessions, and other scheduled marketing seminars, Corporate Presentation sessions or regional events as scheduled with advance notice to the Franchisee and deemed required.

2A.4 Franchisee shall always maintain professional standards and ethical standards consistent with all state laws and regulations, licensing required by the corporations or

Any state or national regulating authorities in the respective jurisdiction applicable to the franchisee. Franchisee shall maintain a conduct of good moral character and remain in a state of sound mental functioning and shall be deemed capable by corporation to perform their duties as a franchisee.

2A.4a. Franchisee must have a functional PC work environment with reliable Internet service and a smartphone to support audio and visual internet services.

2A.5. Franchisee would work at location or remote to their office location.

Re 2A.6. The Franchisee shall allocate sufficient resources, including personnel, equipment, and finances, as necessary to fulfil its obligations under this Agreement.

3.6. 2A. 7. The Franchisee shall cooperate fully with the Licensor and any other parties involved in the development process, including by sharing information, coordinating activities, and working collaboratively to resolve any issues that may arise.

3.7. 2A.8. The Franchisee shall comply with all applicable laws and regulations in carrying out its obligations under this Agreement, including but not limited to laws relating to intellectual property, health and safety, and environmental protection.

## 2B. FRANCHISOR OBLIGATIONS:

2.1 Complete a comprehensive online Training, onboarding as

scheduled for 4 weeks to certified as completed required training and or an onboarding by the Franchisor.

2.2 Provide effective sales and marketing to recruit users, businesses providers and meet Corporation marketing and sales support requirements.

## **Waranties and Indemnities**

7

7. 2C 1. The franchisor warrants to the franchisee that they are the owners of the Intellectual Property Rights and have the right to license the use and these rights to the franchisee for the purposes of this Agreement.

7. 2. The franchisee warrants to the franchisor that it has the necessary skills, resources, and expertise to develop the Product or Service in accordance with the terms of this Agreement.

7. 3. Each party warrants to the other that it has the power to enter into this Agreement and has obtained all necessary approvals to do so.

7. 4. All warranties under this Agreement are subject to the limitations set out in this section. Any claim under a warranty must be made within expiration dates and of the date on which the party became aware of the breach of warranty, and in any event no later than after the termination of this Agreement.

7. 5. The franchisor shall indemnify and hold harmless the franchisee from and against all losses, damages, costs, and expenses awarded against or incurred by the franchisee as a result of or in connection with any claim of infringement of Intellectual Property Rights arising out of the use of the Product or Service.

7 6. The franchisee shall indemnify and hold harmless the franchisor from and against all losses, damages, costs, and expenses awarded against or incurred by the franchisor as a result of or in connection with any breach of this Agreement by the franchisee.

7 7. All indemnities under this Agreement are subject to the limitations set out in this section. The total amount payable under an indemnity shall not exceed N10M as of 2024 only, thereafter 2024, the amount shall not exceed the currency value of US \$7,500 and the indemnifying party shall not be liable for any indirect or consequential loss or damage.

7. 8. A party that wishes to make a claim under a warranty or indemnity must notify the other party in writing as soon as reasonably practicable and must take all reasonable steps to mitigate its loss or damage.

7 .9. The warranties and indemnities in this Agreement shall survive the termination of this Agreement.

## 111. CONTRACT TERMS

3.1 Termination for Cause. In the event that the Franchisee fails to keep, observe or

perform any covenant, term or provision set by the Franchisor the Franchisee hereby acknowledges that the Franchisor maintains the right to terminate the contract under the terms required by this contract.

3.2 Voluntary Inactive Status. A request to hold active services of this Contract with cause may be sent by Franchisor or its agent for a specified period or indefinitely and with such Cause noted. If voluntary inactive status is requested by the franchisee, it will be reviewed and approved in writing by the franchisor for the specific time requested or any other period as deem fit. Such approval will also specify with continued payment or without payment of existing monthly commission.

3.3 Commencement and Duration: This Agreement shall commence on the Effective Date and shall continue for an initial term of 2 years ("Initial Term"), unless terminated earlier in accordance with the provisions of this Agreement. Following the Initial Term, this Agreement shall automatically renew for successive periods of 2years each ("Renewal Term"), unless either party gives written notice of its intention not to renew at least 60 days prior to the end of the Initial Term or the then-current Renewal Term.

8. 3.4. Termination for Convenience: Either party may terminate this Agreement at any time with cause by giving the other party 60 days' written notice which will become effective once approved by franchisor.

8. 3.5 Termination for Cause: If either party commits a material breach of this Agreement, the non-breaching party may terminate this Agreement by giving 60 days' written notice to the breaching party, provided that the breaching party does not cure the breach within 30 days of that notice period and such termination is approved by franchisor.

8 .3.6. Termination for Insolvency: Either party may terminate this Agreement immediately upon written notice if the other party becomes insolvent, goes into liquidation, or has a receiver or administrator appointed by a court.

8. 3.7. Effect of Termination: Upon termination of this Agreement for any reason, all rights and obligations of the parties under this Agreement shall cease, except for those rights and obligations that by their nature should survive termination, including but not limited to the obligations under the Confidentiality, Intellectual Property Rights, and Dispute Resolution clauses of this Agreement.



- 8. 3.8. Return of Materials: Upon termination of this Agreement, each party shall return as directed by the other party, all materials containing or embodying Confidential Information of the other party.
- 8. 3.9. Dispute Resolution: Any disputes arising out of or in connection with the termination of this Agreement shall be resolved in accordance with the Dispute Resolution clause of this Agreement and first by arbitration.
- 8 3.10. Rights Reserved: Termination of this Agreement for any reason shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination.

**4A.311 Effect of Termination.** This Agreement shall remain in full force and effect during the period between the date that notice of termination is given and the effective date of such termination. As of the date of termination of this Agreement, this Agreement shall be of no further force and effect, and each of the parties hereto shall be discharged from all rights, duties, and obligations under this Agreement.

- ( 4A3.12 All rights granted to the franchisee under this Agreement shall immediately cease and revert to the franchisor, except as otherwise expressly provided in this Agreement.
- ( 4A3.13 The franchisee shall immediately cease all use of the Intellectual Property Rights and shall return to the franchisor all materials, documents, and other items related to the Product or Service.
- ( 4A3.14 The franchisee shall immediately cease using and shall return (as directed by the franchisor) all Confidential Information received from the franchisor and shall certify in writing to the franchisor that it has done so.
- ( 4A3.15 The franchisee shall pay to the franchisor all outstanding unpaid invoices and interest and, in respect of services supplied but for which no invoice has been submitted, the franchisor may submit an invoice, which shall be payable immediately on receipt.
- 9 4A3.16. The termination of this Agreement shall not affect any rights, remedies, obligations or liabilities of the Parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination.
- 9 .4A3.17 Any provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after termination of this Agreement shall remain in full force and effect.

9. 4A3.18. If the franchisee has been granted the right to sub-license, upon termination of this Agreement, all such sub-licenses shall immediately terminate, unless otherwise agreed in writing by the franchisor.

### **Dispute Resolution**

- 1 4B.1. If any dispute arises in connection with this Agreement, the parties will attempt to settle it by negotiation. Each party will use its reasonable endeavors to resolve the dispute promptly, and will, without prejudice to its other rights under this Agreement, continue to perform its obligations under this Agreement.
- 1 4B.2. If the dispute cannot be resolved by the parties through negotiation within 30 days, the parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure.
- 1 4B.3. If the dispute is not resolved by mediation within 60 days of commencement of the mediation, or such further period as the parties shall agree in writing, the dispute shall be referred to and finally resolved by arbitration under the Rules of the Court of International Arbitration (LCIA), or as applied in Nigeria which Rules are deemed to be incorporated by reference into this clause.
- 1 4B.4. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be in Nigeria. The language to be used in the arbitral proceedings shall be English.
- 4B.5. Nothing in this clause shall prevent a party from seeking legal advice from legal counsel
- 4B.6. The costs of the mediation and arbitration shall be borne equally by the parties, unless the mediator or arbitrator decides otherwise. Each party shall bear its own costs incurred in preparing and presenting its case.
- 4B.7. All negotiations, mediations and arbitrations under this clause will be confidential and without prejudice to the rights of the parties in any future proceedings.

### **Notices**

- 1 5.1. Any notice or other communication given to a party under or in connection with this Agreement shall be in writing, addressed to that party at its registered office or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first-class post or other next working day delivery service, commercial courier, or email.

### **Entire Agreement**

- 6.1. This Agreement (including the schedules, annexes and appendices hereto) constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 6.2. Each Party acknowledges that in entering into this Agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.
- 6.3. No Party shall have any claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this Agreement.

6.4 Severability. In the event any portion of this Agreement is found to be void, illegal or unenforceable, the validity or enforceability of any other portion shall not be affected

6.5. Governing Law. This Agreement shall be governed by and construed in accordance with the applicable federal laws and regulations and the laws of the federal Republic of Nigeria or a designated local country where Stallion Technologies Ltd has so designated as responsible Stallion Technology department HQ for Agent services.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in their names by the undersigned officers, the same being duly authorized to do so.  
Independent Sales and Marketing Agent/ Agency Organization

14.  
1

#### **Signatories**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.  
For and on behalf of

Name: Bright Osadolor

Title: Assistant Director Sales Marketing and Franchise Services

Date:

:

## 1. Schedule 1 - Development Milestones

### 1.1. Milestone 1: Completion of Design Phase

Description: The Online platform use - The franchisor shall complete the design of the online account on the platform according to the franchisor's specification and deliver to franchisee.

(b) Description: The franchisee shall complete the design of the franchise location to the franchisor's satisfaction.

(b1) Completion Date: June 30<sup>th</sup> 2024

(c) Deliverables: Detailed design documents for Ipropstore Port Harcourt GRA

(d) Acceptance Criteria: Approval of the design documents by the franchisor.

### 1.2. Milestone 2: Working Development

(a) Description: The franchisee shall start work on platform

(b) Commencement Date: July 2024

(c) Deliverables: A working prototype of the

(d) Acceptance Criteria: Successful demonstration of the prototype to the franchisor.

### 1.3. Milestone 3: Online Sales Phase

(a) Description: The franchisee shall conduct comprehensive online sales with embedded test sales of the

(b) Completion Date: July 2024

(c) Deliverables: Test results and a report detailing the performance of the

(d) Acceptance Criteria: Successful completion of tests and approval of the test results by the franchisor.

### 1.4. Milestone 4: Production Sales Readiness

(a) Description: The franchisee shall prepare and continue sales

(b) Completion Date: August 15, 2024

(c) Deliverables: A production-ready version of the

(d) Acceptance Criteria: Approval of the production-ready version by the Franchisor.

## 2. Schedule 2 - Development Specifications, Schedule, Reporting Requirements, Quality Standards, and Resource Commitments

2.1. Development Specifications: The franchisee shall develop the Product or Service in accordance with the following specifications

2.2. Development Schedule: The franchisee shall adhere to the following development schedule: The franchisee shall promptly notify the franchisor of any delays or anticipated delays in the development process.



- 2.3. Reporting Requirements: The franchisee shall provide the Licensor with regular reports in the following format: These reports shall be provided on a basis and shall include
- 2.4. Quality Standards: The franchisee shall ensure that all work performed under this Agreement conforms to the following quality standards:
- 2.5. Resource Commitments: The franchisee shall allocate the following resources to the development work:

3. Schedule 3 - Milestone Payments to include promissory note payment date below commencing from February 15<sup>th</sup> 2025 through January 15<sup>th</sup> 2028

3.1. Milestone 1: Completion of initial design of the Product or Service

Payment:

Due Date: June 15<sup>th</sup> – Initial payment N2M – See enclosed loan agreement

3.2. Milestone 2: Completion of prototype of the Product or Service

Payment:

Due Date: July 2024 – N1.25M - See enclosed loan agreement

3.3. Milestone 3: Successful Sales Product

Payment:

Due Date: Upon verification of successful sales with testing by the franchisor

3.4. Milestone 4: Regulatory Approval by franchisor

Payment Due Date: N1.25M at the Completion of franchise training and beginning of franchise full operations.

3.5. Milestone 5: Launch of the Products and Sales

Payment: At each platform sales points and promissory note payments enclosed below of N162,500 monthly payments for 36 months, see below Loan agreement.

Emmanuel Otajonor

Date: 17/06/2024

Ipropstore E-Commerce Platform Port Harcourt GRA, Rivers State Nigeria  
Franchisee



Dan E. Austin MD

Date:

Stallion Development Technology LLC, Lekki, Lagos Nigeria  
Franchisor

# Promissory Note and Franchise Loan Agreement

Borrower: Emmanuel Otajonor – Port Harcourt, Nigeria

Lender: Stallion Technologies Ltd– 15G Admiralty Way, Lekki Lagos  
Nigeria

Amount Loan: N4.5M

Interest Rate: 10% Annual Rate

Total Pay Amount: N5,850,000

Payable: 36 months

Monthly Pay: N162,500

First Payment: February 15<sup>th</sup>, 2025

Last Payment: January 15<sup>th</sup>, 2028

1. Value Received – The borrower shall receive a total of N4.5M in value of Ipropstore Online E-Commerce platform franchise currently valued at N4.5M as enumerated in an FDD Ipropstore Port Harcourt GRA and this franchise agreement.
2. Monthly Payment – Borrower will pay monthly a total of 36 payments, with an annual interest rate of 10%, with a monthly payment of N162,500 commencing from February 15<sup>th</sup> 2025. Payable to Stallion Development Technologies LLC
3. Loan Value Terms – Borrower may pay off loan early or at anytime without penalty, and lender will keep ownership title of Ipropstore franchise a collateral until the amount is paid in full, and such title will be release in full to borrower.

4. Default – Borrower may not default on monthly payment due by the 15<sup>th</sup> of each month, with a late fee accessed at 1% by the 25<sup>th</sup> of each month. If after the 30<sup>th</sup> of each month payment is not received, the loan will be in default and lender may demand full payment of total amount due.
5. Collection Cost - The borrower will be responsible for any and all cost of collections if this payment become default and lender has to engage any collection processes to obtain payment from the borrower.

Emmanuel Otajonor

Date: 17/06/2024

Borrower

A handwritten signature in black ink, appearing to be 'EO' with a stylized flourish.

Dan E. Austin MD

Date:

Stallion Development Technology LLC, 15G Admiralty Way, Lekki

Lender