

Letter of Negotiation for Royalty Adjustments

Date: [Insert Date]

[Franchisor's Name]

[Franchisor's Address]

[City, State, Zip Code]

Dear [Franchisor's Name],

I hope this letter finds you well. I am writing to discuss the current royalty structure outlined in our franchise agreement dated [Insert Original Agreement Date], specifically regarding the possibility of adjusting the royalty fees.

As you are aware, our franchise location has been facing [briefly state challenges or circumstances affecting business, e.g., economic downturn, increased competition, etc.]. This has significantly impacted our operational costs and profitability.

In light of these circumstances, I would like to propose a temporary adjustment to the royalty percentage from [Current Percentage]% to [Proposed Percentage]% for the next [Proposed Duration], after which we can revisit the negotiations based on performance metrics and market conditions.

I believe this adjustment would not only support our business during this challenging time but also ensure the overall sustainability and growth of the franchise brand in our region. I value our partnership and am committed to maintaining open and constructive communication.

I would appreciate the opportunity to discuss this proposal in more detail. Please let me know a convenient time for you to meet or have a call. Thank you for considering this request.

Sincerely,

[Your Name]

[Your Title]

[Franchisee Business Name]

[Contact Information]