

Equity Partnership Definition

Date: [Insert Date]

To: [Franchisee Name]

From: [Franchisor Name]

Subject: Equity Partnership Definition for Franchise Agreement

Dear [Franchisee Name],

We are pleased to define the terms of our equity partnership as outlined in the franchise agreement. An equity partnership involves shared ownership in a franchise business, wherein both the franchisor and franchisee invest capital and resources, sharing in profits, losses, and decision-making responsibilities.

Key elements of the equity partnership include:

- Ownership Structure: [Details about ownership percentages]
- Profit Sharing: [Details on how profits will be distributed]
- Decision-Making: [Outline of collaborative decision-making processes]
- Investment Contributions: [Specific contributions expected from both parties]
- Dissolution Terms: [Conditions under which the partnership can be dissolved]

We believe this partnership will strengthen our brand and create a successful business model for both parties. Please review this definition carefully and feel free to reach out with any questions or required clarifications.

Best regards,

[Your Name]

[Your Title]

[Franchisor Company Name]