



## Advice before purchasing a franchise

### Franchise legal matters

In providing legal advice on Franchise Agreements, Turner Freeman Lawyers considers a range of matters, all or some of which may be relevant to a particular Franchise Agreement. Just some of these matters include the following:-

- (a) whether or not the Franchise Agreement incorporates other documents such as an operations manual which expand the range of obligations with which a prospective franchisee must comply;
- (b) whether the Franchise Agreement requires the franchisee to acquire approved products or products from approved suppliers, and the possible risks or benefits of this to the prospective franchisee;
- (c) whether the franchisor provides leads to the prospective franchisee and whether the franchisee must pay a fee for these leads, whether or not the leads lead to income earning clients or income earning work for the franchisee;
- (d) whether the Franchise Agreement requires directors of corporate franchisees to provide guarantees and whether the guarantors' obligations under these guarantees are secured by mortgages, charges or other securities over the guarantors' personal property;
- (e) whether the Franchise Agreement allows the franchisor to unilaterally change the terms of the Franchise Agreement so that the franchisor can unilaterally impose on the franchisee different or additional obligations;
- (f) whether the Franchise Agreement and Disclosure Document fully disclose the costs of establishing a new franchise business;
- (g) whether the Franchise Agreement and Disclosure Document fully disclose one-off and recurring charges or expenses so that the franchisee can factor these into projections on the costs of acquiring and running the franchise business;

These are just some of the many factors that a prospective franchisee should consider and in respect of which he or she should obtain legal advice.

**If you are considering purchasing a franchise or if you have been given a Franchise Agreement and need advice, call us on 0473 667 426 or via our online enquiry form on our website at [www.morganmac.com.au](http://www.morganmac.com.au).**

### Our franchise law expert



Bill Morgan – Partner, Brisbane

### About Bill Morgan

Our franchising law practice is led by Bill Morgan, who has over 20 years experience in all facets of commercial litigation matters such as franchise disputes, consumer protection, contractual disputes, property disputes, insolvency and bankruptcy proceedings.

Bill has acted over a number of years in disputes between franchisors and franchisees of franchises including Michele's Patisserie, Pets Paradise, Frontline Recruitment, First Class Accounts, Cold Rock Ice Cream, Destiny Financial Services, Kleenit, Begin Bright, Yarra Valley Farms, Nutrition Station, Red Rock Noodle Bar, Home Icecream, Night Owl, Pizza Temptations, Express and Red Rooster. These disputes have been litigated in the Federal Court, Federal Circuit Court and State Courts or resolved through the mediation service provided by the Office of the Franchising Mediation Adviser. Bill is also a nationally accredited mediator and on the panel of mediators of the Office of the Franchising Mediation Adviser.

Bill's focus is to offer and deliver exceptional service to his clients that is highly effective and cost-competitive.

Bill has provided advice to franchisees considering purchasing franchises such as StellaRosa Espresso Bars, Michele's Patisserie, Pack & Send, John's Nuts, F45 Training and Jim's Cleaning. His advice deals with the legal and commercial risks and benefits of a prospective franchise agreement and assists franchisees to make relevant enquiries and seek key information before making a decision to acquire a franchise.

**Call Today: 0473 667 426**

**MORGAN  
MAC** LAWYERS