



## The waiver of Commercial Franchise Agreements



The waiver of a Franchise Agreement is a right granted to the franchisee under the Commercial Franchise Law issued by Royal Decree **No. (M/22)** dated 1441/2/9H, provided that the waiver occurs after obtaining the consent of the franchisor, who has the right to object only in specific cases stipulated by Article 13 of the Law. These cases include: if it is unlikely that the assignee party possesses sufficient financial resources to fulfill the obligations of the franchise agreement, or if the assignee party is unable to meet the requirements or standards established by the franchisor, or if the assignee does not agree in writing to assume the obligations of the franchisee under the franchise agreement from the date of the waiver, or if the franchisee fails to pay any due amounts to the franchisor, or any other case specified by the regulation.



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