

**EXCLUSIVE CITY PARTNER AGREEMENT**

(Franchise Owned – Franchise Operated (FOFO) Model)

(Prefabricated Modular Homes & Cottages Division)

**LOOM CRAFTS**

Dated: \_\_\_\_\_ 2026  
Place: Ghaziabad, Uttar Pradesh

## **EXCLUSIVE CITY PARTNER AGREEMENT**

This Exclusive City Partner Agreement (the "Agreement") is made and executed at Ghaziabad, Uttar Pradesh, on this \_\_\_\_\_ **2026** (the "Effective Date").

### **BY AND BETWEEN**

**1. LOOM CRAFTS FURNITURE INDIA PRIVATE LIMITED**, a company incorporated under the laws of India, holding **CIN U28111DL2008PTC183519**, having its head office at **A-7/98,99,100 South Side GT Road Industrial Area, Ghaziabad – 201009, Uttar Pradesh, India** (hereinafter referred to as the "Franchisor" or the "Company", which expression shall unless excluded by or repugnant to the context mean and include its successors and permitted assigns), acting through its Authorized Signatory **Mr. Rahul Jindal**;

### **AND**

**2.** \_\_\_\_\_, a \_\_\_\_\_ incorporated/registered under the laws of India, having its registered office at \_\_\_\_\_ (hereinafter referred to as the "Exclusive City Partner" or the "Partner", which expression shall unless excluded by or repugnant to the context mean and include its successors and permitted assigns), acting through its authorized signatory \_\_\_\_\_.

The Franchisor and the Partner are individually referred to as a "Party" and collectively as the "Parties".

## **RECITALS**

A. The Franchisor is engaged in the business of design, engineering, manufacturing, marketing and execution of steel framed prefabricated modular homes and cottages, tiny homes, expandable homes, prefab buildings and allied products for hospitality, residential and commercial applications under the brand name and logo "**LOOM CRAFTS**" (the "Brand").

B. The Franchisor has developed proprietary systems, standardized processes, technical know-how, drawings, specifications, quality standards, centralized lead and pricing governance, marketing assets, operational manuals, intellectual property and goodwill associated with the Brand.

C. The Franchisor intends to expand its Brand footprint across India through a structured Franchise Owned – Franchise Operated (FOFO) model by appointing exclusive city-level partners to establish and operate experience centres and to originate, service and support clients in their allotted territories.

D. The Partner has approached the Franchisor to be appointed as an Exclusive City Partner and has represented that it possesses (i) adequate financial resources, (ii)

suitable premises or ability to secure premises, (iii) managerial and sales capabilities, and (iv) intent to comply with Brand standards and operational requirements.

E. Relying upon such representations and undertakings, the Franchisor has agreed, subject to the terms and conditions herein, to appoint the Partner as an Exclusive City Partner for the Primary Territory (as defined below).

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties hereby agree as follows:

## **ARTICLE I**

### **DEFINITIONS AND INTERPRETATION**

**1.1** In this Agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

- a. **“Agreement”** means this Exclusive City Partner Agreement including its schedules, annexures and any amendments made in writing and executed by both Parties.
- b. **“Applicable Law”** means all laws, statutes, regulations, rules, notifications, directions, standards, ordinances and legally mandatory guidelines of any governmental authority applicable to the Partner, the Experience Centre, the Products, the Services, marketing, employment, taxation and consumer protection.
- c. **“Approvals”** means any approvals, permissions, registrations, licences, consents and filings required under Applicable Law for establishment and operation of the Experience Centre and conduct of the Partner’s business.
- d. **“Brand”** means the brand name and logo **“LOOM CRAFTS”** and all associated marks, trade dress, brand assets, copyrighted material and goodwill owned by the Franchisor.
- e. **“Client Origin”** means the city from which the client enquiry is first generated, recorded and/or allocated through the Franchisor’s Central Systems (including CRM, official Telegram allocation groups, website backend, exhibition records or any other officially authorized system). The Franchisor’s timestamped record shall be final and binding.
- f. **“Commencement Date”** means the date on which the Experience Centre commences operations under the Brand, as mutually recorded in writing by the Parties.
- g. **“Confidential Information”** means all non-public information of the Franchisor including business plans, pricing, customer data, drawings, specifications, manuals, vendor details, software, know-how, processes, trade secrets, financial information and any information disclosed in connection with this Agreement, whether before or after execution.
- h. **“Central Systems”** means the Franchisor’s centralized systems for lead allocation, CRM, pricing approvals, quotation governance, marketing approvals and any future digital platform introduced by the Franchisor for network governance.

- i. **“Experience Centre”** means the Partner’s premises approved by the Franchisor within the Primary Territory, used for display, client meetings, marketing and sale facilitation of Products and provision of permitted Services.
- j. **“Ex-Works Price”** means the base manufacturing price of the Product at the Franchisor’s factory (exclusive of GST, freight, installation site costs and other extras), as per the Franchisor’s prevailing price lists/approved quotations.
- k. **“Standard Franchise Margin”** means 25% (Twenty Five Percent) of the Ex-Works Price, subject to revisions uniformly applied by the Franchisor across the network with prior written notice.
- l. **“Net Franchise Margin”** means the Standard Franchise Margin after deduction of all discounts, rebates, incentives, special concessions or commercial reductions granted to the end customer (including any amount absorbed out of the Standard Franchise Margin).
- m. **“Operational Manual”** means the Franchisor’s operational manual/guidelines issued to Partners and revised from time to time, forming an integral part of this Agreement.
- n. **“Products”** means the steel framed prefabricated modular homes and cottages and allied structures manufactured/supplied by the Franchisor under the Brand, as per approved catalogs and specifications.
- o. **“Project Location”** means the physical site where Products are delivered, installed or executed for the end customer.
- p. **“Primary Territory”** means the city and defined commercial influence zone allotted to the Partner under Schedule 1, subject to the National Client Origin & Revenue Sharing Framework in Article III.
- q. **“Services”** means services permitted to be provided by the Partner under the Brand as prescribed in the Operational Manual (including sales facilitation, client coordination, local support) and excluding any unauthorized construction or manufacture.
- r. **“Term”** means the period commencing on the Effective Date and continuing as per Article XVI.

**1.2 Interpretation:** (a) Headings are for convenience only and do not affect interpretation; (b) Singular includes plural and vice versa; (c) References to Articles/Schedules/Annexures are to this Agreement; (d) Any reference to a statute includes amendments and re-enactments; (e) The rule of construction against the drafter shall not apply.

## **ARTICLE II**

### **APPOINTMENT AND GRANT OF LICENCE**

**2.1 Appointment.** Subject to the terms and conditions of this Agreement, the Franchisor hereby appoints the Partner as an Exclusive City Partner for the Primary Territory and grants the Partner the right to establish and operate the Experience Centre and to market, promote and facilitate sale of Products under the Brand within such Primary Territory.

**2.2 Nature of Relationship.** The Parties are independent entities. Nothing in this Agreement shall be construed as creating a partnership, joint venture, agency,

employment or fiduciary relationship. The Partner shall have no authority to bind the Franchisor except as expressly authorized in writing.

The Partner shall not represent itself as agent, joint venture partner or authorized signatory of the Franchisor beyond the limited rights expressly granted herein.

**2.3 Limited Licence.** During the Term, the Franchisor grants the Partner a personal, exclusive (except as expressly stated in relation to Primary Territory rights), non-transferable (save as permitted under Article XVI) limited licence to use the Brand and Intellectual Property Rights solely for operation of the Experience Centre and sale facilitation of Products and permitted Services, strictly in accordance with this Agreement and the Operational Manual.

**2.4 Reservation of Rights.** All rights not expressly granted herein are reserved by the Franchisor. The Partner acknowledges that the Franchisor retains the right to (i) modify systems and policies, (ii) introduce Central Systems, (iii) operate directly and/or through other partners outside the Primary Territory, and (iv) undertake national/institutional/government/export/strategic projects as per Article III.6.

**2.5 No Proprietary Interest.** The Partner disclaims any right, title or interest in the Brand, Intellectual Property Rights, technical know-how, systems, manuals or goodwill of the Franchisor, except the limited license granted herein.

**2.6 Compliance with Brand Standards.** The Partner shall operate and represent the Brand strictly without prefix or suffix and in compliance with brand usage guidelines. Any conscious misuse of Brand assets may attract penalties and remedies including termination.

**2.7 Exclusivity Qualification.** Any exclusivity or revenue entitlement is not absolute geographic exclusivity and shall be governed strictly by the National Client Origin & Revenue Sharing Framework in Article III and the Central Systems' allocation records.

**2.8 Territory Subdivision.** The Franchisor reserves the right to subdivide, shrink or restructure the Primary Territory in case:

- (a) Underperformance;
- (b) Failure to open additional showroom within defined time;
- (c) Non-maintenance of display;
- (d) Strategic expansion requirement.

The Partner shall not object to appointment of additional Partner(s) in the same city if triggered under Performance Clause.

**2.9 Territory Realignment and Network Expansion.** The Partner acknowledges that the territory granted under this Agreement is subject to the performance obligations and strategic expansion plans of the Franchisor.

The Franchisor reserves the right, at its sole discretion, to review territorial allocations periodically and may subdivide, realign, or restructure territories in order to support the growth of the Loom Crafts network.

In the event the Partner fails to meet the minimum performance thresholds or maintain operational standards as defined by the Franchisor, the Franchisor may reduce, subdivide, or reallocate portions of the Commercial Influence Zone to other partners.

The Partner shall have no claim for damages, compensation, or goodwill in respect of any such territory restructuring undertaken for network expansion or performance management purposes.

**2.10 Lead Registration and Project Ownership.** All enquiries, leads, or potential projects must be registered through the official CRM system or designated lead registration mechanism of the Franchisor before any commercial engagement with the customer.

The Partner who first registers a lead in the official system with complete and verifiable client details shall be deemed the Originating Partner for that project.

In the event a project is located in a different territory from where the client originates, the margin allocation shall be governed by the cross-territory project allocation provisions of this Agreement.

Any failure by the Partner to register a lead prior to commercial engagement may result in the lead being treated as an open lead, and the Franchisor shall have the sole authority to allocate such projects.

The Franchisor's records and CRM system shall be considered the final and authoritative record for determining lead ownership and project allocation.

**2.11 Project Allocation Authority.** The Franchisor shall retain the sole authority to determine the allocation of projects, margin distribution, and partner participation in cases involving cross-territory projects, strategic accounts, institutional clients, or multi-location developments. The Franchisor's decision shall be final and binding on all Partners.

**2.12 Project Exclusivity and Mandatory System Routing.** The Partner agrees that any enquiry, lead, project opportunity, or customer engagement relating to prefabricated homes, modular cottages, modular structures, glamping units, resort cottages, farmhouses, or similar products within the scope of Loom Crafts offerings shall be routed exclusively through the Loom Crafts system.

The Partner shall not directly or indirectly execute, promote, facilitate, or participate in any prefab or modular construction project outside the Loom Crafts system where such project falls within the scope of the Products offered by the Franchisor.

The Partner shall not source, supply, or install competing prefabricated structures from any other manufacturer for projects that were introduced, discussed, negotiated, or developed through the Loom Crafts network, marketing channels, brand recognition, or customer referrals connected to the Franchisor.

Any violation of this clause shall constitute a material breach of this Agreement, and the Franchisor shall have the right to immediately terminate the Agreement, revoke territorial rights, and seek damages for loss of business and brand dilution.

## **ARTICLE III**

### **NATIONAL CLIENT ORIGIN AND REVENUE SHARING FRAMEWORK**

**3.1 Purpose.** The Parties acknowledge that as the Franchisor expands to multiple cities, project execution may occur across territories. Accordingly, the Parties agree to the following national framework for entitlement and sharing of Net Franchise Margin, aimed at preventing inter-city disputes and ensuring cooperation.

**3.2 Determination of Client Origin.** Client Origin shall be determined solely by the Franchisor's Central Systems records (including time-stamped Telegram allocation messages and/or CRM entries). Such determination shall be final and binding on all Partners.

**3.3 Computation of Net Franchise Margin.** Net Franchise Margin shall be computed as the Standard Franchise Margin (25% of Ex-Works Price) less (i) any customer discount or concession absorbed from the Standard Franchise Margin, and (ii) any other commercial adjustment expressly approved by the Franchisor. For avoidance of doubt, GST, freight, crane charges, boarding/lodging, civil works and other third-party site costs are outside the Standard Franchise Margin unless expressly included by the Franchisor in writing.

**3.4 Scenario A – Same Territory (Origin = Location).** Where Client Origin and Project Location both fall within the same Primary Territory of a Partner, 100% of the Net Franchise Margin shall accrue to such Partner, subject to compliance and fulfillment of obligations.

**3.5 Scenario B – Cross-Territory Project (Origin ≠ Location; both cities have Partners).** Where Client Origin falls within Primary Territory of Partner A and Project Location falls within Primary Territory of Partner B, the Net Franchise Margin shall be shared as follows: (i) 75% to Partner A (Origin Partner) and (ii) 25% to Partner B (Location Partner), unless otherwise mutually agreed in writing by all three Parties (Franchisor and both Partners).

**3.6 Scenario C – Company-Origin Project (no Partner in origin; Partner in location).** Where Client Origin arises from a city/area where no Exclusive City Partner is appointed and the Project Location falls within a Primary Territory of an appointed Partner, the Franchisor shall allocate 25% of the Net Franchise Margin to the Location Partner and retain the balance 75% for the Company.

**3.7 Scenario D – No Partner in Project Location.** Where Client Origin is within a Partner's Primary Territory, but Project Location is in a city where no Exclusive City Partner is appointed, 100% of the Net Franchise Margin shall accrue to the Origin Partner.

**3.8 Roles and Responsibilities in Cross-Territory Projects.**

(a) Origin Partner shall be responsible for lead handling, qualification, proposal preparation, pricing coordination, commercial negotiations and closure coordination.

(b) Location Partner shall be responsible for on-ground facilitation including site visit coordination, client handholding during execution, local statutory liaison (as reasonably

required) and installation facilitation. The Franchisor shall remain responsible for engineering, manufacturing, dispatch and installation through its approved teams.

**3.9 Cooperation Obligation and Default.** All Partners shall cooperate in good faith. If any Partner refuses to participate, delays cooperation, misguides the client, or acts prejudicially, the Franchisor shall have sole discretion to reallocate margin entitlement (including allocating full Net Franchise Margin to the cooperating Partner) and/or impose corrective measures. The Franchisor's decision shall be final and binding.

**3.10 Timing of Margin Settlement.** Margin sharing (where applicable) shall be reconciled through Partner remittance statements as per Operational Manual.

**3.11 Franchisor Override – National/Strategic Projects.** Notwithstanding anything, the Franchisor retains the right to directly undertake and execute national accounts, institutional/government projects, export orders or pre-designated strategic/key account projects. For projects where a Partner provides demonstrable assistance in the Project Location, the Franchisor may, at its sole discretion, allocate a facilitation/referral amount not exceeding 25% of the Net Franchise Margin or as otherwise determined.

**3.12 No Unauthorised Commitments.** No Partner shall commit delivery timelines, structural modifications, pricing deviations or additional scope outside approved quotations/specifications without prior written approval of the Franchisor. Any breach may result in withholding of margin or penalties.

**3.13** In case of dispute between Origin and Location Partner, the Franchisor's decision shall be final and binding and shall not be subject to challenge except through arbitration.

## **ARTICLE IV**

### **PROPRIETARY MARKS AND INTELLECTUAL PROPERTY**

**4.1 Ownership and Acknowledgment.** The Partner expressly acknowledges and agrees that:

(a) The Brand "**LOOM CRAFTS**", together with all associated trademarks, logos, service marks, trade dress, brand elements, designs, layouts, architectural drawings, specifications, copyrighted materials, promotional content, software systems, operational processes, technical know-how, trade secrets and goodwill (collectively, the "Intellectual Property") are and shall at all times remain the sole and exclusive property of the Franchisor.

(b) Nothing contained in this Agreement shall be construed as transferring any ownership right, title or interest in the Intellectual Property to the Partner.

(c) All goodwill generated through the Partner's use of the Brand shall accrue solely and exclusively to the benefit of the Franchisor.

**4.2 Limited and Conditional License.** The Franchisor grants the Partner a limited, revocable, non-transferable, non-sublicensable licence during the Term to use the Brand strictly for operation of the Experience Centre and sale facilitation of Products, subject to:

- (a) Strict compliance with this Agreement;
- (b) Compliance with the Operational Manual;
- (c) Compliance with brand usage guidelines issued from time to time.

The licence granted herein shall automatically terminate upon expiry or termination of this Agreement without requirement of separate notice.

**4.3 Prohibited Acts.** The Partner shall not, directly or indirectly:

- (a) Register or attempt to register the Brand or any confusingly similar mark in any jurisdiction.
- (b) Use any prefix, suffix, variation, abbreviation or altered form of the Brand without prior written approval.
- (c) Register domain names, social media handles, business names, trade names or digital assets incorporating the Brand without written authorization.
- (d) Apply for trademark, design or copyright registration that is identical or deceptively similar to the Franchisor's Intellectual Property.
- (e) Use the Brand in any manner that may dilute, tarnish or harm its reputation.
- (f) Permit third parties to use the Brand without written authorization.
- (g) Use any mark that is identical or confusingly similar to the Brand for competing products.

**4.4 Mandatory Brand Standards.** The Partner shall:

- (a) Display the Brand strictly in the format, size, colour, placement and style prescribed by the Franchisor.
- (b) Use only approved marketing creatives and promotional materials.
- (c) Immediately rectify any non-compliant brand usage upon notice. Failure to rectify within fourteen (14) days shall constitute material breach.

**4.5 Digital and Online Protection**

- (a) All websites, social media pages, Google listings, digital advertisements and online assets using the Brand must be created and managed in accordance with Franchisor policy.
- (b) The Franchisor may require administrative access to any digital platform using the Brand.
- (c) Upon termination, all digital assets containing the Brand shall be transferred, deleted or deactivated as directed by the Franchisor.

**4.6 Infringement Reporting and Cooperation**

The Partner shall:

- (a) Promptly notify the Franchisor of any infringement or unauthorized use by third parties;
- (b) Cooperate fully in enforcement actions initiated by the Franchisor;
- (c) Not initiate independent legal proceedings relating to the Brand without prior written consent.

#### **4.7 Brand Misuse Penalty**

In addition to any other remedy available under law or this Agreement, if the Partner is found to have wilfully misused, misrepresented or infringed the Brand or Intellectual Property, the Franchisor may:

- (a) Impose a penalty of INR 5,00,000/- (Rupees Five Lakhs only) per instance;
- (b) Suspend lead allocation;
- (c) Withhold margin payments;
- (d) Initiate termination proceedings.

This penalty shall not limit the Franchisor's right to claim actual damages.

#### **4.8 Immediate Injunctive Relief**

The Partner acknowledges that unauthorized use of the Brand or Intellectual Property may cause irreparable harm to the Franchisor for which monetary damages may not be adequate.

Accordingly, the Franchisor shall be entitled to immediate injunctive relief, including interim and permanent injunctions, without the necessity of proving actual damages.

#### **4.9 Post-Termination Obligations**

Upon expiry or termination of this Agreement:

- (a) The Partner shall immediately cease all use of the Brand.
- (b) All signage, boards, promotional materials, stationery and digital content bearing the Brand shall be removed within seven (7) days.
- (c) The Franchisor shall have the right, if necessary, to enter the premises to remove Brand materials at the Partner's cost.
- (d) Continued use of the Brand after termination shall constitute infringement and may attract damages in addition to penalties.

#### **4.10 Survival**

The obligations under this Article IV shall survive termination or expiry of this Agreement.

## **ARTICLE V** **LICENSES, PERMISSIONS AND COMPLIANCE**

**5.1 Partner Responsibility.** All legal formalities, registrations and Approvals (including trade licence, GST, Shops & Establishments, local permissions, fire safety, signage permissions, insurance, etc.) required for the Experience Centre and Partner's business shall be obtained and maintained by the Partner at its sole cost. The Franchisor shall be fully absolved from any non-compliance by the Partner.

**5.2 Copies to Franchisor.** The Partner shall provide copies of all such Approvals and renewals to the Franchisor within 7 (Seven) days of issuance/renewal.

**5.3 Compliance with Applicable Law.** The Partner shall comply with all Applicable Law including consumer protection, advertising standards, data privacy, labour and employment laws, and local municipal requirements.

## **ARTICLE VI**

### **OPERATIONAL MANUAL AND CENTRAL SYSTEMS**

**6.1 Delivery of Manual.** The Franchisor shall provide the Partner with the Operational Manual (hard/soft copies) concurrently with or prior to the Commencement Date.

**6.2 Confidentiality.** The Operational Manual is proprietary and confidential. The Partner shall not copy, reproduce, disseminate or disclose the Manual except with prior written consent of the Franchisor.

**6.3 Compliance.** The Partner shall conduct its operations strictly in accordance with the Operational Manual, including sales conduct, quotation format, lead response timelines, branding, staffing, reporting and customer communication standards.

**6.4 Updates.** The Franchisor may amend the Operational Manual from time to time to reflect changes in specifications, processes, Central Systems and policies, provided that no modification shall materially and financially alter the Partner's fundamental rights under this Agreement without consultation. Any modification requiring additional capital expenditure exceeding INR 5,00,000/- shall be implemented after consultation with the Partner; however, the Franchisor's decision shall be final, provided such changes are uniformly applicable across the network.

**6.5 Central Systems Adoption.** The Partner shall adopt and use the Franchisor's Central Systems (CRM, lead allocation, quotation approval workflows, digital platforms) as introduced, and compliance shall be mandatory. Failure to comply may result in reassignment of leads, withholding of margin, suspension and/or termination as per the Operational Manual and this Agreement.

**6.6 Lead Allocation Record.** The time-stamped record in Central Systems (including official Telegram groups) shall be the final record for lead allocation, Client Origin determination and inter-city conflict resolution.

**6.7 Network Policy & System Uniformity.** The Partner acknowledges that the success of the Loom Crafts network depends upon uniform standards, operating procedures, pricing structures, branding guidelines, technical specifications, and customer experience across all locations.

The Franchisor reserves the absolute right to issue, revise, or update from time to time any policies, operational standards, technical guidelines, marketing protocols, pricing frameworks, or network rules applicable to all partners within the Loom Crafts network. The Partner shall strictly comply with such policies and updates as communicated in writing by the Franchisor, whether through circulars, operational manuals, digital communication, or official notices.

The Partner acknowledges that the Franchisor may implement network-wide policy changes in order to protect the brand, maintain operational consistency, respond to market conditions, or improve customer experience.

Failure to comply with such network policies shall constitute a material breach of this Agreement and may result in suspension or termination of territorial rights.

**6.8 Mandatory CRM Reporting.** The partner shall report all project enquiries, negotiations, and confirmed orders through the official Loom Crafts CRM system. Failure to report such engagements may be treated as concealment of business activity and shall constitute a material breach of this Agreement.

## **ARTICLE VII**

### **TRAINING, STAFFING AND HUMAN RESOURCES**

**7.1 Initial Training.** The Franchisor shall provide an initial comprehensive training program (minimum 7 days) to the Partner and designated staff, covering product knowledge, sales process, quotation governance, customer handling, Central Systems, operational standards and after-sales coordination.

**7.2 Ongoing Training.** The Franchisor may provide refresher training and updates as required. The Partner shall ensure attendance of its staff in mandatory training programs.

**7.3 Staffing Requirements.** The Partner shall recruit and maintain qualified staff as prescribed in the Operational Manual, including at least one trained sales executive. Sourcing and employment of staff shall be the Partner's responsibility, and the Partner may hire and fire at its discretion, subject to compliance with Applicable Law.

**7.4 Conduct and Compliance.** The Partner shall ensure its staff adheres to Brand standards and does not misrepresent specifications, pricing, delivery timelines or warranty. Any misrepresentation may be treated as serious breach.

**7.5 Employment Law Compliance.** The Partner shall comply with all statutory employment laws including (without limitation) Shops and Establishments, EPF, ESI, Payment of Gratuity, Contract Labour and other applicable legislation. Any liability arising from employment shall solely lie with the Partner.

## **ARTICLE VIII**

### **CONSIDERATION AND COMMERCIAL TERMS**

**8.1 Standard Franchise Margin.** The Partner shall be entitled to the Standard Franchise Margin of 25% on Ex-Works Price, subject to Article III revenue sharing and any uniform network revisions notified by the Franchisor.

**8.2 Customer Discounts.** Any discount granted to an end customer shall require adherence to the Franchisor's pricing governance. Discounts may be offered only as per approved slabs/approvals. Any discount offered without approval may be recovered from the Partner and/or result in withholding of margin.

**8.3 Net Franchise Margin Sharing.** Where applicable under Article III, Net Franchise Margin shall be shared between Origin Partner/Location Partner/Company as per scenarios defined therein.

**8.4 Taxes.** GST and other taxes shall be collected and deposited as per Applicable Law. The Partner shall be responsible for compliance with tax laws applicable to its billing and operations.

**8.5 Payment Collection and Remittance Mechanism.**

- a) The Partner shall collect 100% of the customer payment as per the approved milestone schedule prior to dispatch of the Product.
- b) No dispatch shall be undertaken unless 100% of the Ex-Works Price and applicable charges have been received.
- c) The Partner shall deduct only the Standard Franchise Margin (25% of Ex-Works Price), subject to approved discounts and Article III revenue sharing.
- d) The balance amount shall be remitted to the Franchisor within three (3) working days of receipt of the final milestone payment.
- e) All customer payments collected by the Partner shall be deemed to be held in trust and fiduciary capacity for the Franchisor to the extent of the Ex-Works Price payable to the Franchisor. The Partner shall not treat such amounts as its own funds. Any delay beyond seven (7) days shall constitute material breach and may trigger suspension or termination. Any misappropriation, diversion, or temporary utilization of such funds for purposes other than remittance to the Franchisor shall constitute financial misconduct and fundamental breach.
- f) The Partner shall not extend credit, defer payment, or alter the payment structure without prior written approval of the Franchisor.
- g) The Franchisor reserves the right to verify payment receipts and customer invoices at any time.

**8.6 Launch and Pre-Opening Expenses.** The Partner shall contribute to experience centre launch and pre-opening expenses including local marketing, signage, staffing and operational setup. The Franchisor may support launch marketing through national/central campaigns at its discretion.

**8.7 Prohibited Commitments.** The Partner shall not commit any price, inclusion, free items or scope beyond approved quotation; any such commitment shall be the Partner's liability unless expressly approved by the Franchisor in writing.

**ARTICLE IX**  
**ADVERTISING, MARKETING AND PUBLIC COMMUNICATION**

**9.1 Brand Representation.** The Partner shall promote the Brand strictly as per Franchisor guidelines and shall not publish any advertisement or promotional material without required approvals.

**9.2 Central Marketing.** The Franchisor may undertake national marketing initiatives including SEO, social media, exhibitions, PR and publications. Lead allocation from such initiatives shall be governed by Central Systems.

**9.3 Local Marketing Approval.** The Partner may undertake local marketing activities within the Primary Territory only with prior written approval of the Franchisor (including creatives, budgets, media plan and messaging).

**9.4 Authorized Designers.** The Partner may opt to get creatives designed through the Franchisor's authorized agency/in-house team. Unauthorized brand usage may attract penalties.

**9.5 Public Statements.** The Partner shall not make public statements regarding warranties, certifications, structural claims or regulatory approvals beyond approved content.

**9.6 Digital Assets.** Any city-level social media pages/Google listings created for the Experience Centre shall be created/managed as per Franchisor policy and access credentials may be required to be shared with the Franchisor for governance.

## **ARTICLE X**

### **PARTNER'S OBLIGATIONS**

**10.1 General.** The Partner shall diligently operate the Experience Centre, actively generate leads, provide client support and comply with the Operational Manual and Central Systems.

**10.2 Commencement.** The Partner shall commence operations from the Commencement Date. If commencement is delayed beyond 90 (Ninety) days from Effective Date (unless extended in writing), the Franchisor may terminate this Agreement at its discretion.

**10.3 Experience Centre Standards.** The Partner shall set up and maintain the Experience Centre, interiors, fit-outs, signage and displays as per Franchisor guidelines, and shall not alter the aesthetic look without prior written permission.

**10.4 Mandatory Display.** The Partner shall ensure minimum display of modular homes/cottages with cumulative standard value of approximately INR 50,00,000/-. Display designs shall be mutually finalized. No special discount shall apply on display units unless expressly approved in writing. Failure to maintain mandatory display value of ₹50,00,000 at all times during the Term shall constitute material breach. The Franchisor may suspend lead allocation or revoke territorial exclusivity until compliance is restored. If any display unit is sold or removed, replacement display maintaining minimum ₹50,00,000 value must be installed within sixty (60) days.

**10.5 Exclusivity of Products.** The Partner shall purchase and sell/promote only the Franchisor's Products under the Brand at the Experience Centre. The Partner shall not display or sell competing prefab/modular products at the Experience Centre. In case of

breach, liquidated damages of INR 5,00,000/- may be imposed, subject to 14-day cure period where applicable.

**10.6 Billing and Documentation.** The Partner shall provide electronic bills/invoices as prescribed. Manual billing, if required, shall follow the Franchisor procedure and must be reported promptly.

**10.7 Reporting.** The Partner shall maintain accurate records of enquiries, follow-ups, quotations and closures and shall submit periodic reports as prescribed by the Franchisor.

**10.8 Utilities and Operating Costs.** The Partner shall bear all costs of utilities, rent/lease, staff salaries, insurance and day-to-day operations.

**10.9 Site Visits and Client Handling.** The Partner shall coordinate client visits, site feasibility discussions and ensure realistic commitments aligned with Franchisor approvals.

**10.10 Statutory Compliance.** The Partner shall comply with all labour laws and statutory provisions, and the Franchisor shall not be liable for any Partner employee claims.

**10.11 Performance Review.** The Franchisor may review Partner performance after 12 months from Commencement Date and issue corrective measures, including mandatory training, staffing upgrades, process changes or escalation steps as per Annexure 3 (Performance & Compliance Matrix).

## **ARTICLE XI**

### **FRANCHISOR'S OBLIGATIONS**

**11.1 Brand License and Support.** The Franchisor shall permit the Partner to operate under the Brand within the framework of this Agreement and shall provide operational guidance, training and access to marketing assets as per policy.

**11.2 Site and Setup Guidance.** The Franchisor may guide in selection and setup of the Experience Centre including architecture, interiors, layout and branding, subject to feasibility.

**11.3 Pricing and Catalogs.** The Franchisor shall provide price lists/catalogs and standard layouts and shall control pricing governance. Custom costing shall be provided where required subject to design approvals.

**11.4 Product Supply.** The Franchisor shall supply Products for confirmed orders as per agreed specifications, subject to receipt of customer payments as per approved milestones.

**11.5 Delivery Timelines.** Standard delivery is targeted within 90–120 days from receipt of advance (unless otherwise committed in writing for specific products/projects).

**11.6 Installation.** Installation shall be carried out by Franchisor-approved teams. Boarding and lodging for installation team and crane rentals (if required) shall be arranged/borne by the end customer unless otherwise stated in the quotation.

**11.7 Warranty.** The Franchisor shall provide a 20-year warranty covering structural damages and leakages due to rain, subject to exclusions set out in Article XIII and the warranty terms in Schedule 4.

**11.8 Central Lead Distribution.** The Franchisor may allocate leads through Central Systems. Failure by Partner to respond within timelines may result in reassignment.

**11.9 Audits and Quality Checks.** The Franchisor may conduct quality checks, mystery audits and customer feedback processes to maintain Brand standards.

## **ARTICLE XII**

### **EXPERIENCE CENTRE LOCATION, LEASE AND USAGE**

**12.1 Location Approval.** The Partner shall identify a suitable location within the Primary Territory for the Experience Centre. The location and layout shall be subject to written approval by the Franchisor based on visibility, accessibility, demographics, suitability and Brand alignment. Franchisor approval does not guarantee profitability.

**12.2 Lease Terms.** The Partner shall enter into lease/ownership arrangements for the Experience Centre. Where leased, key commercial terms (term, lock-in, signage rights, fit-out permissions) shall be shared with the Franchisor for approval prior to final execution.

**12.3 Permitted Use.** The Experience Centre shall be used exclusively for the Brand business and permitted allied activities approved in writing. The Partner shall not use display units as homestay/Airbnb without prior consent.

**12.4 Relocation.** The Partner shall not relocate the Experience Centre without prior written consent of the Franchisor.

## **ARTICLE XIII**

### **WARRANTY AND AFTER-SALES**

**13.1 Warranty Coverage.** The Franchisor provides a 20-year warranty on structural integrity and leakages due to rain for Products installed against orders booked under this Agreement, subject to customer adherence to usage and maintenance guidelines.

**13.2 Exclusions.** Warranty does not cover (i) damages due to force majeure or natural calamities beyond reasonable design limits, (ii) mishandling, misuse or alterations by customer/third parties, (iii) routine maintenance such as paint, polish, cleaning, sealant upkeep, (iv) normal wear and tear, (v) accessories/equipment not supplied by the Franchisor, and (vi) any site civil works not executed by the Franchisor.

**13.3 After-Sales Process.** The Partner shall coordinate customer complaints through the Franchisor's prescribed ticketing/channel. The Franchisor shall evaluate and

provide resolution as per warranty terms. The Partner shall not commit remedies or timelines without confirmation.

**13.4 Free Service for 1 Year (Non-Structural).** If the Franchisor policy includes free service for one year for issues in electrical, plumbing, doors/windows, such service shall be as per the Franchisor's service policy and subject to exclusions and consumables charges. (If this benefit is offered, it should be reflected in the customer-facing warranty certificate.)

**13.5 Structural warranty shall not apply to:**

- (a) Foundation failures
- (b) Soil bearing capacity issues
- (c) Civil construction by third parties
- (d) Structural alterations post-installation

The customer and Partner acknowledge that plinth/foundation design is outside the scope unless specifically contracted in writing. Structural design assumes compliance with soil bearing capacity communicated at time of design approval.

**13.6 Customer Claims and Warranty Responsibility.** The Partner shall act solely as a sales and regional coordination partner of the Franchisor and shall not be deemed the manufacturer, contractor, or warrantor of the Products. All structural warranties, product warranties, technical guarantees, and after-sales obligations shall remain the sole responsibility of the Franchisor.

Any claims, complaints, warranty requests, or disputes raised by end customers relating to manufacturing defects, structural performance, installation quality, product specifications, or warranty obligations shall be handled directly by the Franchisor in accordance with the applicable warranty terms.

The Partner shall not be liable for any warranty obligations, structural defects, manufacturing defects, product performance issues, or technical failures arising from Products manufactured or supplied by the Franchisor.

The Franchisor shall indemnify and hold harmless the Partner against any third-party claims, customer disputes, legal proceedings, or litigation arising solely from warranty issues, manufacturing defects, product performance, structural defects, or technical aspects of the Products supplied by the Franchisor, except where such claims arise due to misrepresentation, unauthorized commitments, or negligence on the part of the Partner.

## **ARTICLE XIV**

### **ACCOUNTING, RECORDS AND REPORTING**

**14.1 Books and Records.** The Partner shall keep complete and accurate books of account and records of enquiries, quotations, orders, payments, refunds and customer communications as prescribed.

**14.2 Periodic Reporting.** The Partner shall submit reports in the format and frequency prescribed in the Operational Manual, including lead status, quotations sent, closures, pipeline and local marketing activities.

**14.3 Inspection of Records.** The Franchisor may inspect and verify the Partner's records and systems at any time during business hours with reasonable notice, and may conduct audits where required.

**14.4 Retention.** Records shall be retained for at least 3 (Three) years after termination/expiry.

**14.5 Data Integrity.** Manipulation of lead records, misreporting or concealment shall be treated as material breach.

## **ARTICLE XV** **INSPECTION, AUDIT AND QUALITY CONTROL**

**15.1 Inspection Rights.** The Partner shall permit the Franchisor and its agents to inspect the Experience Centre, displays, customer handling practices, branding and operations during normal business hours.

**15.2 Surprise Audits.** The Franchisor reserves the right to conduct surprise audits and mystery checks to ensure compliance with Brand standards and Central Systems.

**15.3 Corrective Actions.** If deficiencies are found, the Franchisor may issue corrective action notices with timelines. Repeated non-compliance may lead to suspension/termination as per Annexure 3.

**15.4 Customer Feedback.** The Franchisor may collect customer feedback and require the Partner to implement service improvements.

## **ARTICLE XVI** **TERM, TERMINATION AND RENEWAL**

**16.1 Term.** This Agreement shall remain in full force and effect for a period of ten (10) years from the Effective Date ("Term"), unless earlier terminated in accordance with the provisions of this Article. The Parties acknowledge that stability of the network and continuity of operations are fundamental to the Brand, and therefore termination shall be governed strictly by the provisions herein.

**16.2 Termination for Material Breach.** Either Party shall have the right to terminate this Agreement in the event of a material breach by the other Party, provided that:

(a) The non-breaching Party issues a written notice clearly specifying the nature of the breach in reasonable detail;

(b) The breaching Party is granted a cure period of thirty (30) days from receipt of such notice to remedy the breach to the satisfaction of the non-breaching Party; and

(c) The breach remains uncured or insufficiently cured after expiry of such cure period. For the purposes of this Agreement, “material breach” shall include, without limitation:

- (i) Unauthorized use, misuse or dilution of the Brand or Intellectual Property;
- (ii) Sale or display of competing prefabricated modular products at the Experience Centre;
- (iii) Fraud, intentional misrepresentation, falsification of records or manipulation of CRM data;
- (iv) Failure to remit amounts due to the Franchisor within prescribed timelines;
- (v) Persistent non-compliance with Operational Manual requirements;
- (vi) Serious reputational damage to the Brand caused by the Partner’s conduct;
- (vii) Insolvency, liquidation or winding up of either Party.

The Parties agree that termination under this clause shall be proportionate and invoked only where the breach materially affects the business relationship or Brand integrity.

**16.3 Termination for Persistent Underperformance.** The Franchisor shall have the right to initiate termination proceedings in the event the Partner fails to meet the Minimum Annual Billing Requirements as defined under Article XXIII-A for two (2) consecutive Financial Years.

Prior to termination under this clause, the Franchisor shall:

- (a) Issue a written Performance Improvement Notice;
- (b) Allow a reasonable corrective period of not less than ninety (90) days;
- (c) Review the Partner’s remedial action plan.

If the Partner fails to demonstrate meaningful improvement or fails to meet at least sixty percent (60%) of the prescribed performance threshold within such corrective period, the Franchisor may, at its sole discretion:

- (a) Convert the Primary Territory to non-exclusive status;
- (b) Subdivide the Territory;
- (c) Appoint additional Partner(s) within the same city; or
- (d) Terminate this Agreement by giving ninety (90) days’ written notice.

The Parties acknowledge that this clause is necessary to ensure effective city representation and protect Brand standards in expansion markets.

**16.4 Voluntary Termination.** The Partner may voluntarily terminate this Agreement by providing ninety (90) days’ prior written notice to the Franchisor, provided that:

- (a) All ongoing projects are completed in accordance with approved specifications;
- (b) All financial obligations are fully settled;
- (c) No customer liabilities remain outstanding;
- (d) All Brand compliance requirements are fulfilled during the notice period.

The Franchisor may likewise terminate this Agreement without assigning any reason by providing ninety (90) days’ prior written notice, provided that such termination shall not

affect confirmed and paid projects already in execution, which shall be completed in accordance with this Agreement.

Both Parties agree that voluntary termination shall be exercised in good faith and shall not be used as a mechanism to evade obligations.

**16.5 Immediate Termination Without Cure Period.** Notwithstanding the foregoing, the Franchisor shall have the right to terminate this Agreement with immediate effect and without providing a cure period in the event of:

- (a) Wilful and deliberate infringement of Intellectual Property;
- (b) Criminal misconduct affecting Brand reputation;
- (c) Financial fraud, misappropriation or diversion of customer funds;
- (d) Unauthorized transfer or assignment of this Agreement;
- (e) Persistent refusal to cooperate in cross-territory revenue sharing obligations.

The Parties agree that the above circumstances constitute fundamental breaches that directly threaten Brand integrity and network stability.

**16.6 Effect of Termination.** Upon termination or expiry of this Agreement:

- (a) The Partner shall immediately cease representing itself as an Exclusive City Partner of the Brand;
- (b) All use of the Brand and Intellectual Property shall cease;
- (c) All signage, promotional material, digital assets and branding shall be removed within seven (7) days;
- (d) Ongoing confirmed projects shall be completed under supervision of the Franchisor within agreed timelines;
- (e) The Partner shall not claim any compensation for loss of goodwill, loss of territory, expected profits or recovery of showroom investment, as expressly waived under this Agreement.

Termination shall not affect rights and obligations that expressly survive termination, including but not limited to confidentiality, non-compete, indemnity and payment obligations.

**16.7 Settlement of Accounts.** All outstanding financial settlements between the Parties shall be reconciled within thirty (30) days of termination. The Franchisor shall have the right to set-off any amounts due to it against unpaid Net Franchise Margin or other sums payable to the Partner.

**16.8 Insolvency.** Automatic termination upon insolvency admission under IBC or appointment of resolution professional.

**16.9 Survival.** Notwithstanding termination or expiry of this Agreement for any reason, the provisions relating to Intellectual Property, Confidentiality, Indemnity, Limitation of

Liability, Non-Compete, Anti-Circumvention, Personal Guarantee, Payment Obligations, Dispute Resolution, and any other provisions which by their nature are intended to survive, shall continue in full force and effect.

## **ARTICLE XVII**

### **EFFECT OF TERMINATION**

**17.1 Wind-Down Period.** Upon termination, the Partner shall cease new bookings and Brand representation immediately and shall be permitted a wind-down period of 60 (Sixty) days solely for selling off existing inventory (if any) and completing execution of projects contracted prior to termination, under Franchisor oversight.

**17.2 Completion of Ongoing Projects.** Ongoing projects must be completed within 90 (Ninety) days from termination date unless otherwise approved in writing. The Partner may recover outstanding receivables strictly for orders booked prior to termination.

**17.3 Cessation of Brand Use.** The Partner shall immediately cease use of the Brand and remove/cover all Brand signage, advertisements and materials. In case of failure, the Franchisor may enter premises for such purpose at Partner's cost.

**17.4 Return of Materials.** The Partner shall return/deliver to the Franchisor all confidential materials including manuals, catalogs, marketing material, price lists, stationery and digital assets as directed.

**17.5 Outstanding Payments.** The Partner shall pay all outstanding amounts due within 30 (Thirty) days.

**17.6 Optional Buy-Back.** The Partner shall first offer for sale to the Franchisor any fixtures/displays/inventory. The Franchisor is under no obligation to repurchase; any repurchase shall be at Franchisor's discretion and mutually agreed terms.

**17.7 Injunction.** The Partner acknowledges that unauthorized continued use of Brand causes irreparable harm and the Franchisor shall be entitled to injunctive relief.

**17.8 Consequences of Termination – No Goodwill Compensation.** Upon expiry or termination of this Agreement for any reason:

(a) The Partner shall not be entitled to any compensation for loss of goodwill, loss of business opportunity, loss of territory, loss of expected profits, or recovery of showroom investment.

(b) The Partner acknowledges that all goodwill generated during the Term accrues solely to the Franchisor and no proprietary or compensatory claim shall arise in favour of the Partner.

(c) The Partner expressly waives any claim under common law, equity, trade practice or franchise relationship doctrine seeking compensation for termination.

## **ARTICLE XVIII** **ASSIGNMENT OF RIGHTS**

**18.1 No Assignment.** The Partner shall not assign, transfer, sub-license or otherwise deal with its rights or obligations under this Agreement to any third party without prior written consent of the Franchisor.

**18.2 Family Transfer.** Transfer within immediate family may be considered at Franchisor's discretion, subject to due diligence and written approval.

**18.3 Breach and Penalty.** Any unauthorized assignment shall be treated as material breach and may attract termination and compensation of INR 5,00,000/- subject to a cure period of 14 (Fourteen) days where applicable.

## **ARTICLE XIX** **MODIFICATION OF SYSTEM**

**19.1** The Partner acknowledges that the Franchisor may modify the Brand system, marketing strategy, trade names, trademarks, service marks, copyrighted materials, processes and Central Systems from time to time.

**19.2** The Partner shall adopt such changes within a reasonable time as prescribed. Any reasonable expenditure required to implement such changes shall be borne by the Partner, subject to the cap/consent requirement set out in Article VI.4 for expenditures exceeding INR 5,00,000/-.

## **ARTICLE XX** **INDEMNITY**

**20.1 Partner Indemnity.** The Partner shall indemnify and hold harmless the Franchisor against claims arising from (i) Partner's breach of this Agreement, (ii) Partner's negligence, misconduct or misrepresentation, (iii) Partner's violation of Applicable Law, (iv) employment-related claims, and (v) wilful infringement of third-party rights arising from Partner's unauthorized activities.

**20.2 Franchisor Indemnity.** The Franchisor shall indemnify and hold harmless the Partner against third-party claims arising solely due to infringement of third-party intellectual property rights by the Franchisor in respect of Products manufactured and supplied by the Franchisor, subject to Partner's compliance with approved specifications and marketing.

**20.3 Mitigation and Procedure.** The indemnified Party shall notify the indemnifying Party promptly and cooperate. The indemnifying Party shall control defence and settlement subject to reasonable consent.

**20.4 Limitation of Liability.** Notwithstanding anything to the contrary, the Franchisor's aggregate liability under this Agreement shall not exceed the net margin earned by the Partner in the preceding twelve (12) months. Under no circumstances shall the Franchisor be liable for refund of showroom investments, leasehold improvements, display costs or sunk capital expenditure.

Under no circumstances shall the Franchisor be liable for:

- (a) Loss of profits
- (b) Loss of goodwill
- (c) Business interruption
- (d) Indirect or consequential damages

In no event shall the Franchisor be liable for any claims made directly by end customers against the Partner arising out of commitments, representations or assurances made by the Partner beyond approved specifications.

**20.5 Customer Claims and Warranty Responsibility.** The Partner shall act solely as a sales and regional coordination partner of the Franchisor and shall not be deemed the manufacturer, contractor, or warrantor of the Products. All structural warranties, product warranties, technical guarantees, and after-sales obligations shall remain the sole responsibility of the Franchisor.

Any claims, complaints, warranty requests, or disputes raised by end customers relating to manufacturing defects, structural performance, installation quality, product specifications, or warranty obligations shall be handled directly by the Franchisor in accordance with the applicable warranty terms.

The Partner shall not be liable for any warranty obligations, structural defects, manufacturing defects, product performance issues, or technical failures arising from Products manufactured or supplied by the Franchisor.

The Franchisor shall indemnify and hold harmless the Partner against any third-party claims, customer disputes, legal proceedings, or litigation arising solely from warranty issues, manufacturing defects, product performance, structural defects, or technical aspects of the Products supplied by the Franchisor, except where such claims arise due to misrepresentation, unauthorized commitments, or negligence on the part of the Partner.

## **ARTICLE XXI** **CONFIDENTIALITY**

**21.1 Confidentiality Obligation.** The Partner shall preserve confidentiality of all Confidential Information and shall not disclose it to any third party except as permitted.

**21.2 Security Measures.** The Partner shall implement appropriate security measures and ensure its employees/agents comply with confidentiality obligations.

**21.3 Return/Destruction.** Upon expiry/termination, the Partner shall return or destroy Confidential Information as directed.

**21.4 Injunctive Relief.** Breach may cause irreparable harm, and injunctive relief shall be available.

**21.5 Permitted Disclosures.** Confidential Information may be disclosed if (i) public domain, (ii) lawfully received from third party, (iii) approved in writing, (iv) to advisors with need-to-know under confidentiality, or (v) required by legal process with prior notice where possible.

**21.6 Confidentiality of Agreement.** The terms of this Agreement shall be treated as Confidential Information, except disclosures required by law.

## **ARTICLE XXII** **REPRESENTATIONS AND WARRANTIES**

**22.1 Franchisor Representations.** The Franchisor represents that it owns/controls the Brand and has right to enter into this Agreement and grant the licences herein.

**22.2 Partner Representations.** The Partner represents that it has authority and capacity to execute and perform obligations, shall obtain all Approvals, has adequate infrastructure and manpower, has no pending litigation affecting performance, is not using pirated software, and that execution does not violate any existing agreement.

**22.3 Continuing Nature.** Representations shall be deemed repeated throughout the Term.

## **ARTICLE XXIII** **PERFORMANCE STANDARDS, COMPLIANCE, PENALTIES AND ESCALATION**

**23.1 Performance Standards.** The Partner shall maintain standards of competence, lead response timelines, quotation governance, CRM discipline, staffing adequacy and customer handling as prescribed in the Operational Manual and Annexure 3.

**23.2 Lead Response Timeline.** Unless otherwise prescribed, the Partner shall acknowledge any lead allocated through Central Systems within 24 hours and shall update status periodically. Failure may result in lead reassignment.

**23.3 Penalties.** Without prejudice, the Franchisor may impose penalties for specific breaches including brand misuse, competing products, unauthorized discounts, CRM non-compliance, misrepresentation and repeated audit failures, as specified in Annexure 3 and/or the Operational Manual.

**23.4 Suspension.** The Franchisor may suspend lead allocation and/or margin entitlement for a defined period where breaches persist, after notice.

**23.5 Termination.** Persistent or material breaches may result in termination under Article XVI.

**ARTICLE XXIII-A**  
**MINIMUM PERFORMANCE OBLIGATIONS & TERRITORIAL RETENTION**

**23A.1 Minimum Annual Billing Requirement**

The Partner shall achieve a minimum Gross Billing value per Financial Year as may be notified by the Franchisor based on city classification (Tier I / Tier II / Tier III).

Illustrative baseline (subject to Schedule):

- (a) Tier I City: ₹5 Crores annually
- (b) Tier II City: ₹3 Crores annually
- (c) Tier III City: ₹1.5 Crores annually

The Minimum Performance Thresholds applicable to each Financial Year shall be notified by the Franchisor in writing at the beginning of such Financial Year and shall constitute binding performance criteria under this Agreement. If the Partner does not raise a written objection within fifteen (15) days of receipt of such notification, the thresholds shall be deemed accepted and binding. The Franchisor may revise such thresholds with 90 days prior written notice.

Failure to meet the Minimum Performance Threshold shall not be excused on the grounds of general market slowdown, competitive pressures, financing constraints, labour issues or business strategy decisions. Performance relief shall be granted only in the event of a documented Force Majeure Event materially and directly affecting construction activity within the Primary Territory, and only to the extent such event demonstrably prevents the Partner from achieving the notified threshold.

**23A.2 Consecutive Underperformance**

If the Partner fails to achieve the Minimum Annual Billing for:

- (a) Two (2) consecutive Financial Years; or
- (b) Fails to achieve at least 60% of the threshold in any single year,

the Franchisor shall have the right to:

- (a) Issue Performance Improvement Notice;
- (b) Reduce or subdivide the Primary Territory;
- (c) Appoint additional Exclusive City Partner(s) within the same city;
- (d) Convert exclusivity into non-exclusive status;
- (e) Refuse renewal upon expiry;
- (f) Terminate this Agreement for material non-performance.

**23A.3 Display Maintenance Condition**

If the Partner fails to maintain minimum display standards or removes display inventory without approval, the Franchisor may:

- Suspend new lead allocation;
- Revoke territorial exclusivity.

**ARTICLE XXIV**  
**FORCE MAJEURE**

**24.1** Neither Party shall be liable for delay/non-performance due to events beyond reasonable control including acts of God, war, terrorism, riots, epidemics, strikes, governmental restrictions, etc., provided the affected Party gives prompt notice and uses reasonable efforts to mitigate. Force Majeure shall not automatically excuse performance obligations under Article XXIII-A unless conditions therein are satisfied.

**24.2** Payment obligations for performance rendered prior to force majeure shall remain payable.

**24.3** Parties may suspend obligations for a reasonable period and resume promptly upon cessation.

**ARTICLE XXV**  
**ENTIRE AGREEMENT, WAIVER AND SEVERABILITY**

**25.1 Entire Agreement.** This Agreement constitutes the entire understanding and supersedes prior discussions.

**25.2 Waiver.** No waiver shall be effective unless in writing. Failure to enforce shall not be waiver.

**25.3 Severability.** If any provision is invalid, the remainder shall remain enforceable.

**ARTICLE XXVI**  
**NOTICES**

**26.1** Any notice required under this Agreement shall be in writing and delivered by registered post/courier and email to the addresses in Schedule 5 (or such updated address notified).

**26.2** Notices shall be deemed received on delivery or on the 5th business day after dispatch, as applicable.

**ARTICLE XXVII**  
**ACKNOWLEDGEMENTS BY THE PARTNER**

**27.1** The Partner acknowledges that it has sought independent legal advice prior to signing.

**27.2** The Partner acknowledges business risk and that the Franchisor makes no guarantee of profits, sales or success.

**27.3** The Partner acknowledges receipt of this Agreement prior to execution and confirms understanding of terms.

**ARTICLE XXVIII**  
**NON-COMPETE**

**28.1 During Term.** During the Term, the Partner shall not:

- (a) Directly or indirectly engage in manufacturing, marketing or selling steel-framed prefabricated modular homes or cottages competing with the Products within India;
- (b) Act as consultant, investor, director or advisor in competing prefab modular business;
- (c) Promote competing prefab brands through associated entities.

**28.2 Post-Term Restriction (2 Years).** For a period of two (2) years after termination/expiry, the Partner shall not within the Primary Territory:

- (a) Establish or participate in any competing steel modular prefab home business;
- (b) Solicit customers introduced through the Brand;
- (c) Induce or solicit employees, engineers, marketing staff or contractors of the Franchisor;
- (d) Use any confidential know-how, drawings, specifications or systems derived from the Franchisor.

This restriction shall apply directly or indirectly, including through relatives, group companies, associated entities, partnerships or advisory roles. The restrictions shall apply irrespective of whether the competing business operates under a different trade name or structure.

**28.3 Reasonableness.** The Partner agrees that the restrictions are reasonable and necessary to protect proprietary systems and national network stability.

The restrictions herein shall apply irrespective of the cause of termination and shall bind the Partner, its promoters, directors, shareholders holding more than 10% equity, and any entity controlled directly or indirectly by them.

The Partner shall not directly or indirectly solicit, induce or encourage any other Exclusive City Partner of the Franchisor to terminate, breach or reduce their engagement with the Franchisor.

**ARTICLE XXIX**  
**ANTI-CIRCUMVENTION AND TECHNOLOGY PROTECTION**

**29.1** The Partner acknowledges that the Franchisor's business model, engineering systems, LGSF technology, structural designs, vendor ecosystem, fabrication processes, installation methodologies, pricing systems and customer acquisition framework constitute proprietary business architecture developed through substantial investment.

**29.2** During the Term of this Agreement and for a period of two (2) years thereafter, the Partner shall not, directly or indirectly:

(a) Procure, purchase, lease or operate LGSF machines, steel frame manufacturing systems or similar structural fabrication technology for competing use;

(b) Replicate, reverse engineer or commercially exploit structural drawings, fabrication methods, engineering calculations or product configurations of the Franchisor;

(c) Engage with, solicit or induce the Franchisor's vendors, contractors, engineers or consultants for the purpose of manufacturing or developing competing prefabricated structures;

(d) Establish or assist any third party in establishing a competing prefabricated modular construction system using knowledge derived from association with the Franchisor.

**29.3** The restrictions herein shall apply irrespective of whether such competing activity is carried out directly by the Partner or through affiliates, relatives, group companies, shareholders, directors, advisory roles or controlled entities.

**29.4** The Partner agrees that breach of this Article shall cause irreparable harm to the Franchisor and shall entitle the Franchisor to immediate injunctive relief in addition to damages.

**29.5** The Partner shall not circumvent the Franchisor by directly contracting with customers, investors or developers introduced through the Brand for the purpose of executing competing prefabricated projects outside this Agreement.

**29.6** The obligations under this Article shall survive termination or expiry of this Agreement.

## **ARTICLE XXX**

### **APPLICABLE LAW AND DISPUTE RESOLUTION**

#### **30.1 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of India.

#### **30.2 Good Faith Resolution**

In the event of any dispute, controversy, claim or difference arising out of or relating to this Agreement, including its interpretation, performance, breach or termination ("Dispute"), the Parties shall first attempt to resolve the Dispute through good faith negotiations. A written notice describing the Dispute shall be issued by the aggrieved Party, and the Parties shall attempt resolution within thirty (30) days from the date of such notice.

#### **30.3 Escalation to Senior Management**

If the Dispute remains unresolved, the matter shall be escalated to the senior management representatives of both Parties, who shall meet (physically or virtually) within fifteen (15) days to attempt amicable settlement.

### **30.4 Mediation (Optional but Encouraged)**

If the Dispute is not resolved through negotiation, the Parties may mutually agree to attempt resolution through mediation conducted in New Delhi, India. The costs of mediation shall be shared equally unless otherwise agreed.

### **30.5 Exclusive Jurisdiction**

Subject to the above, any Dispute shall be subject to the exclusive jurisdiction of the competent courts at New Delhi, India. The Partner expressly agrees that it shall not initiate or maintain any proceedings in any other jurisdiction.

### **30.6 Injunctive & Interim Relief**

Notwithstanding anything contained herein, the Franchisor shall be entitled to seek immediate interim, protective or injunctive relief from any competent court to protect its Intellectual Property, Confidential Information, Proprietary Marks, Non-Compete obligations, Anti-Circumvention protections, payment obligations, or territorial rights. Such relief shall not be subject to prior negotiation or mediation.

### **30.7 Continuing Obligations**

During the pendency of any Dispute, the Partner shall continue to perform its obligations under this Agreement, including payment obligations, unless otherwise directed by a competent court.

### **30.8 No Set-Off**

The Partner shall not withhold, delay or set-off any payments due to the Franchisor on account of any Dispute, unless determined by final court order.

## **ARTICLE XXXI** **PERSONAL GUARANTEE**

**31.1** Where the Partner is a company, limited liability partnership, or other legal entity, the individual executing this Agreement on behalf of the Partner (“Guarantor”) shall execute this Agreement in personal capacity as continuing personal guarantor.

**31.2** The Guarantor hereby irrevocably and unconditionally guarantees the due performance, compliance and observance of all obligations of the Partner under this Agreement, including but not limited to:

- (a) Payment obligations
- (b) Non-compete obligations
- (c) Confidentiality obligations
- (d) Brand usage compliance
- (e) Post-termination obligations

**31.3** This guarantee shall be continuing in nature and shall remain in force notwithstanding termination or expiry of this Agreement in respect of obligations that survive termination.

**31.4** The liability of the Guarantor shall be joint and several with that of the Partner.

**31.5** The Franchisor shall not be required to exhaust remedies against the Partner before proceeding against the Guarantor.

## **ARTICLE XXXII** **MISCELLANEOUS**

No relaxation, indulgence, concession or deviation granted by the Franchisor to any Partner shall constitute a waiver of any provision of this Agreement or create a binding precedent in favour of the Partner or any other Exclusive City Partner. Each Partner acknowledges that network-wide policies may be applied differently depending on commercial circumstances and such variation shall not be construed as discriminatory or as modifying the terms of this Agreement.

### **SCHEDULE 1** **PRIMARY TERRITORY**

Primary Territory (City): \_\_\_\_\_  
Commercial influence zone (if any): \_\_\_\_\_  
Experience Centre Approved Address: \_\_\_\_\_  
Minimum Area: **5,000 sq. ft.** (unless approved otherwise)

### **SCHEDULE 2** **COMMERCIAL & PAYMENT TERMS (CUSTOMER-FACING)**

- A. Payment Plan (Milestone Based Smart Payment Plan):** 25% booking advance; 25% after 30 days; 25% before production; 25% before dispatch.
- B. Delivery:** Typically, within 90–120 days from receipt of booking advance, subject to design, approvals and force majeure.
- C. Transportation:** Extra as per actuals; flat-pack dispatch model; site access required.
- D. Installation:** Included in base scope unless otherwise stated; boarding & lodging for installation team by customer; crane rentals by customer.

### **SCHEDULE 3** **STANDARD SPECIFICATIONS (SUMMARY)**

**STRUCTURE:** The entire structure is designed as a hybrid system with Light Gauge Steel framing technology imported from Australia, fabricated using advanced CNC-controlled machines, along with mild steel load-bearing sections.

**FOUNDATIONS / PLINTH:** The client needs to provide the RCC plinth for the structure. Alternatively, a steel plinth over RCC foundations or a pre-cast foundation system is available at an extra cost, with further details provided in the catalogue.

**STRUCTURE WRAPPING:** The entire steel structure is wrapped with OSB boards on both the exterior and interior. These boards are lightweight yet very strong, waterproof, and termite-resistant.

**INSULATION:** All external walls and roofs are insulated with 100 mm thick Rock Wool of 48 kg/m<sup>3</sup> density, providing effective protection against heat, cold, and sound. The entire external face of the walls and roofs is covered with thermal barriers before the application of waterproofing membranes.

**WATER PROOFING MEMBRANES:** The entire external surface of the cottage is covered with waterproofing membranes and sealed with aluminium tapes for maximum moisture protection.

**INTERNAL WALL & CEILING:** All internal walls and ceilings are finished with gypsum boards over the OSB boards and painted in the client's choice of colour. Pine wood cladding on walls or ceilings is optionally available at extra cost. Bathroom walls are finished with ceramic tiles from Kajaria.

**EXTERNAL WALL & ROOF:** The external walls are clad with Everest make wood-finish cement fibre planks. Other wall cladding options available at extra cost as shown in following pages. The roof is clad with asphalt shingles from Technicol, which come with a 50-year warranty.

**INTERNAL & EXTERNAL FLOOR:** Common areas and bedrooms are finished with either wooden laminate flooring from Greenpanel or vitrified tiles from Kajaria, as per the client's choice. Toilets are fitted with vitrified tiles from Kajaria. External decks, if included in our scope, are constructed with vitrified tiles of make Kajaria.

**DOORS & WINDOWS:** All internal doors are made of laminated flush doors, while external sliding or fixed doors, windows, and main doors are made from UPVC sections fitted with 5 mm thick toughened glass. Options for double-glazed units (DGU) and mosquito mesh are available at extra cost. Skylights can be incorporated into the roof without extra charge, while skylight blinds are available at an additional cost. Our standard UPVC colour is white, although grey or wood-finish UPVC is also available for an extra cost.

**PLUMBING & TOILET FIXTURES:** The toilet in the cottage comes fully equipped with internal pipelines made from CPVC of make Ashirwad and fitted with fixtures from Essco-Jaquar, including WC, washbasin, faucets, and other accessories. The client is responsible for connecting the water supply and waste outlets on-site after the cottage erection is completed. Water storage tanks, pressure pumps, and shower glass partitions are not included.

**ELECTRICAL FITTINGS:** Complete electrical fittings are included, comprising switches, sockets, fans, and LED lights. Internal wiring is from R R Kabel, switches and sockets are from Legrand, LED lights are from Panasonic or similar, and fans are from Crompton or similar. Electronics such as televisions, refrigerators, air conditioners, and geysers are not included and can be installed separately by the client. We do, however, provide concealed air-conditioning pipelines within the walls as per the layout plans.

**DECK RAILINGS:** Deck railings are built with Thermo Pine balusters of size 90 x 90 mm, with 10 mm thick toughened glass panels in between, and handrails made from Thermo Pine of size 140 x 26 mm.

**FURNITURE:** No fixed or loose furniture, soft furnishings, or decorative items are included in the standard scope. Kitchens and wardrobes are available at extra cost, while bathroom vanities are included.

## **SCHEDULE 4**

### **WARRANTY TERMS (SUMMARY)**

#### **20-Year Structural & Rain Leakage Warranty:**

Loom Crafts Prefab Modular Homes & Cottages offers a **20-year warranty** from the date of handover against:

- (a) Structural defects affecting the stability and safety of the building
- (b) Rainwater leakages through roof panels, wall panels, joints, and structural connections
- (c) Defects arising from manufacturing, fabrication, design, or installation carried out by Loom Crafts or its authorized teams

This warranty ensures long-term structural integrity and weather protection under normal usage conditions.

#### **1-Year Free Service Support:**

In addition to the structural warranty, Loom Crafts provides **free service support for 1 year** from the date of handover for issues related to:

- (a) Electrical wiring, fittings, and connections
- (b) Plumbing lines, fittings, and minor leakages
- (c) Doors, windows, locks, hinges, and hardware
- (d) Minor installation-related adjustments

Service support includes inspection and rectification of workmanship-related issues. Replacement of consumables or parts, if required, shall be chargeable.

#### **Items Not Covered Under Warranty:**

The following are excluded from warranty coverage:

- (a) Paint, polish, coatings, sealants, and surface finishes
- (b) Routine wear and tear
- (c) Cleaning, housekeeping, or maintenance activities
- (d) Damage due to misuse, negligence, or lack of regular upkeep
- (e) Modifications, alterations, or repairs carried out by unauthorized personnel
- (f) Damage caused by natural calamities such as earthquakes, floods, cyclones, fire, or external impact
- (g) Civil works including foundations, plinths, flooring, and site works executed by third parties

#### **Warranty Conditions:**

- (a) Warranty is applicable **only to projects executed and installed by Loom Crafts**
- (b) Unauthorized repairs or modifications will void the warranty
- (c) Warranty covers manufacturing and installation defects only and does not include aesthetic or maintenance-related concerns
- (d) Regular maintenance and upkeep remain the responsibility of the owner

#### **Warranty Claim Procedure:**

All warranty or service requests must be raised through official Loom Crafts communication channels along with project details and handover date.

Loom Crafts' technical team will inspect the issue and recommend appropriate corrective action.

**General Disclaimer**

Loom Crafts' liability under this warranty is limited to repair or rectification of covered defects only.

The company shall not be liable for indirect, incidental, or consequential damages. *Terms & Conditions apply. Warranty governed by applicable laws of India.*

**SCHEDULE 5**  
**NOTICES**

**If to the FRANCHISOR:** Loom Crafts Furniture India Private Limited, A-7/98,99,100 South Side GT Road Industrial Area, Ghaziabad – 201009, Uttar Pradesh, India. Email:

\_\_\_\_\_

**If to the PARTNER:** \_\_\_\_\_ . Email:

\_\_\_\_\_

**ANNEXURE 1**  
**OPERATIONAL MANUAL (VERSION CONTROL)**

The Operational Manual forms an integral part of this Agreement. In case of inconsistency, this Agreement shall prevail. The Franchisor reserves the right to update the Manual; adoption is mandatory as per Article VI.

**OPERATIONAL MANUAL**

(Version 1.0)

Exclusive City Partner Network

Loom Crafts – Prefabricated Modular Homes & Cottages Division

**1. PURPOSE AND APPLICABILITY**

1.1 This Operational Manual (“Manual”) forms an integral and binding part of the Exclusive City Partner Agreement (“Agreement”).

1.2 In case of conflict between this Manual and the Agreement, the Agreement shall prevail.

1.3 The Franchisor reserves the right to amend, modify, update or replace this Manual from time to time to reflect changes in:

- (a) Technology
- (b) Specifications
- (c) Marketing strategies
- (d) Lead allocation systems
- (e) Regulatory requirements
- (f) Network governance

1.4 Adoption of all updates is mandatory for all Exclusive City Partners.

## **2. TERRITORY AND CLIENT ORIGIN GOVERNANCE**

### **2.1 Primary Territory**

Each Exclusive City Partner (“Partner”) is allotted a defined Primary Territory (city + commercial zone).

Primary Territory does NOT grant absolute geographic exclusivity.

Revenue rights are governed by Article III of the Agreement.

### **2.2 Client Origin Determination**

2.2.1 Client Origin shall be determined exclusively through the Central Systems.

2.2.2 Valid sources include:

- (a) Website enquiry (auto-routed CRM entry)
- (b) Central advertisement enquiries
- (c) Exhibition leads
- (d) Direct walk-in recorded in CRM
- (e) Official Telegram allocation group message

2.2.3 The timestamp recorded in CRM/Telegram shall be final and binding.

2.2.4 Manual claim of lead ownership without system entry shall not be accepted.

### **2.3 Lead Allocation Rules**

2.3.1 Leads generated centrally shall be allocated based on:

- (a) Client Origin
- (b) Availability of Partner
- (c) Performance history (if required)

2.3.2 Partner must acknowledge lead within 24 hours.

2.3.3 If no action/update within 48 hours:

- a) Lead may be reassigned.
- b) Repeat negligence may result in suspension of new lead allocation.

## **3. REVENUE SHARING IMPLEMENTATION**

### **3.1 Same Territory Projects**

If Origin = Location → 100% Net Franchise Margin to that Partner.

### **3.2 Cross-Territory Projects**

If Origin Partner ≠ Location Partner:

- a) 75% Net Franchise Margin → Origin Partner
- b) 25% Net Franchise Margin → Location Partner

Roles:

Origin Partner:

- a) Lead handling
- b) Quotation
- c) Negotiation
- d) Closure

Location Partner:

- a) Site support
- b) Client coordination
- c) Installation facilitation

### **3.3 Company-Origin Projects**

If no Partner in Origin city:

- a) 25% Net Franchise Margin → Location Partner
- b) 75% retained by Company

### **3.4 Non-Cooperation**

If any Partner:

- a) Fails to cooperate
- b) Misguides client
- c) Delays execution

Franchisor may:

- a) Reallocate margin
- b) Withhold payments
- c) Suspend lead allocation

## **4. SALES AND QUOTATION GOVERNANCE**

### **4.1 Pricing Authority**

All pricing is centrally controlled by the Franchisor.

Partners:

- a) Cannot issue independent price lists.
- b) Cannot verbally commit discounts beyond approval.

### **4.2 Discount Policy**

Any discount:

- a) Must be approved through official pricing channel.
- b) Must be recorded in CRM.

Unauthorized discounts:

- a) Recoverable from Partner.
- b) May result in penalty or margin deduction.

### **4.3 Quotation Format**

All quotations must:

- a) Use official template
- b) Mention exclusions clearly
- c) Include payment milestones
- d) Include warranty summary

No custom format allowed without approval.

### **4.4 Payment Structure (Standard)**

Milestone-Based Smart Payment Plan:

- a) 25% Booking Advance
- b) 25% After 30 Days
- c) 25% Before Production
- d) 25% Before Dispatch

Deviation requires written approval.

## **5. EXPERIENCE CENTRE STANDARDS**

### **5.1 Minimum Requirements**

- a) Minimum 5,000 sq. ft. (unless approved)
- b) Mandatory display units of approx. ₹50 Lakhs value

- c) Proper lighting, signage and brand visibility

## **5.2 Brand Compliance**

Experience Centre must:

- a) Follow approved colour schemes
- b) Display official logo only
- c) Use approved catalogues and creatives

## **5.3 Prohibited Activities**

- a) Displaying competing prefab brands
- b) Renting display units without permission
- c) Using brand for unrelated construction business

## **6. CUSTOMER HANDLING STANDARDS**

### **6.1 Sales Conduct**

Partner must:

- a) Provide realistic timelines
- b) Explain exclusions clearly
- c) Avoid over-commitment

Misrepresentation is material breach.

### **6.2 Site Visits**

Partner must:

- a) Conduct preliminary feasibility checks
- b) Inform customer about foundation responsibility
- c) Avoid engineering commitments without approval

## **7. PROJECT EXECUTION PROTOCOL**

### **7.1 Design Approval**

All structural drawings:

- a) Approved by Franchisor engineering team
- b) No modification allowed without written consent

### **7.2 Installation**

Installation teams:

- a) Appointed by Franchisor
- b) Customer arranges crane & boarding

Partner role:

- a) Coordinate site access
- b) Assist with local liaison

## **8. WARRANTY GOVERNANCE**

### **8.1 Structural Warranty**

20-Year warranty for:

- a) Structural damage
- b) Leakage due to rain

### **8.2 Exclusions**

- a) Force majeure
- b) Improper usage

- c) Routine maintenance
- d) Third-party modifications

### **8.3 Complaint Handling**

All complaints must:

- a) Be recorded in official system
- b) Not be promised resolution without technical approval

## **9. CRM DISCIPLINE**

### **9.1 Mandatory Entry**

Every enquiry must be:

- a) Entered into CRM
- b) Updated with follow-up status
- c) Marked won/lost

### **9.2 Data Manipulation**

Tampering or false entry:

- a) Considered serious misconduct
- b) May result in termination

## **10. MARKETING CONTROL**

### **10.1 Local Advertising**

Requires prior approval for:

- a) Newspaper ads
- b) Hoardings
- c) Social media campaigns

### **10.2 Digital Governance**

City-level pages:

- a) May require admin access to Franchisor
- b) Must follow central branding

## **11. PERFORMANCE STANDARDS**

Franchisor may evaluate:

- a) Monthly enquiry count
- b) Conversion rate
- c) Response time
- d) Customer feedback
- e) Display maintenance

## **12. ESCALATION MATRIX**

Step 1 – Written Warning

Step 2 – Mandatory Training

Step 3 – Lead Suspension

Step 4 – Margin Withholding

Step 5 – Termination

## **13. AUDIT AND INSPECTION**

Franchisor may conduct:

- a) Surprise audits

- b) Financial inspections
- c) Customer satisfaction calls
- d) Brand compliance checks

#### **14. CONFIDENTIALITY**

Partner shall not:

- a) Share drawings
- b) Share price lists
- c) Share technical details with competitors

Obligation survives termination.

#### **15. FUTURE SYSTEMS**

Partner agrees to adopt:

- a) New CRM platforms
- b) ERP integration
- c) Central billing systems
- d) Digital quotation tools

#### **16. AMENDMENT**

This Manual may be amended by written circular issued by the Franchisor. Continued operation under the Brand constitutes acceptance.

### **ANNEXURE 2**

#### **LEAD ALLOCATION & CRM GOVERNANCE (REFERENCE)**

Lead allocation shall be through Central Systems. Time-stamped Telegram/CRM records are final for Client Origin and conflict resolution. Partner must acknowledge leads within 24 hours and maintain enquiry/quotation/closure records.

### **ANNEXURE 3**

#### **PERFORMANCE & COMPLIANCE ESCALATION MATRIX (TEMPLATE)**

The following escalation framework shall apply in case of breach or non-compliance:

- (i) Written Warning;
- (ii) Mandatory Training / Corrective Plan;
- (iii) Lead Allocation Suspension;
- (iv) Margin Withholding or Adjustment;
- (v) Termination for persistent or material breach.

Specific triggers, thresholds and enforcement parameters may be detailed in the Operational Manual and updated from time to time.

#### **IN WITNESS WHEREOF**

The Parties hereto have executed this Agreement on the day, month and year first above written.

For the Franchisor

For the Exclusive City Partner

**LOOM CRAFTS FURNITURE INDIA  
PRIVATE LIMITED**

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Authorized Signatory  
Name:  
Date:

---

Authorized Signatory  
Name:  
Date:

Witness 1:  
Name:  
Address:  
Signature:

Witness 2:  
Name:  
Address:  
Signature: