

Date

Date:20.08.2015

LETTER OF UNDERSTANDING

To,

Attention

Pursuance to your representations and various assurances to market our various Residential / Commercial Projects, we are pleased to issue this Letter on the following terms and conditions:-

We made it clear to you and you have accepted that this Letter does not imply the existence of any partnership between us and nor shall it constitute any joint liability of us on account of any action of yours or in any other manner whatsoever.

The representations that you have advanced to us is reiterated for the better understanding of the scope of works assigned to you

1. Representations by the Second Party

- i. That you have necessary skill, knowledge, experience, expertise, adequate capital, competent personnel, infrastructure, computer and other systems and procedural know-how and capability to perform your obligations to our complete satisfaction;
- ii. You shall not use our name on any stationery / printing material unless specifically agreed by us in writing;

2. Your Scope of Services

- i. You shall suggest and offer sales for our project to the prospective purchaser/s, client/s

- ii. You shall Carryout all usual sales activities required with prospects, including sales presentations, follow up, project information provision and query resolution, site visit coordination if required, information and explanation related to the buyer sale agreements, relevant commercial aspects etc., to the prospective purchasers / clients
- iii. On determination of prospective purchasers intention of purchasing the available unit in any of our Project, you shall facilitate the execution of buyer sale agreement between such prospective purchaser with us as per our standard procedure
- iv. You shall Project / inform / present the prospective Purchaser/s, Client/s only to the extent of details of the project as provided by us and we shall not bound by the representation beyond what is provided by us and in such an event we shall at our sole discretion entitled to terminate your license to market our projects
- v. You shall receive all information / instructions from us only in writing

3. Commission Terms:

- i. We will pay the commission to you at the rate of 2 % of Basic Cost of the Unit. The Basic Cost of the Unit shall be inclusive of Basic Selling Price + Car Parking Charges minus Discounts offered if any and excludes, the Floor Rise Charges, Charges payable on the Amenities, VAT and Service Taxes, Club Membership Fees, Additional Expenses, Deposits payable to BWSSB, BESCO and any other Statutory Deposits, Stamp Duty and Registration Charges, Maintenance Charges and any other charges payable by the Prospective Purchasers.
- ii. The above mentioned Commission 2% is exclusive of applicable Service Tax
- iii. The 100% of the Commission will be paid when we receives 20% payment of total cost of property
- iv. Customer will be given maximum timeline of 30 days from the date of booking to make payment of 20% of total property cost and execution of builder buyer agreement.
- v. We will also provide a mail confirmation for payment clearance status for each booking/ transaction.

- vi. You have to raise the Invoice in favor of FORTUNA BUILDCON (INDIA) PVT LTD.
The payment of commission shall be paid within 30 days of the raising of Invoice

4. Obligations:

YOUR OBLIGATIONS

- i) You should give accurate project details to the prospective purchasers
- ii) You should register the Client/ Prospective Purchaser with us as soon as they show interest in our Project
- iii) You shall not assign your rights and obligations without our written consent
- iv) You shall accompany your Client / Prospective Purchaser for all the site visits and during the bookings
- v) For a booking considered as done by you, your authorised representative shall accompany the prospective customer. In the event of any clients / prospective purchaser approaches us directly without your knowledge or without your prior information, then such booking/s shall not be treated and considered as the booking from you and no commission shall be paid on such bookings
- vi) You should not have any kind of sole and exclusive selling rights. We may at our sole discretion engage more channel sale partners / associates
- vii) You should not give any assurances, guarantees, warrantees, undertakings etc., of any kind of whatsoever nature on our behalf
- viii) You should not release any kind of advertisements, publicity materials etc., in any form whatsoever regarding our projects without our prior written approval

OUR OBLIGATIONS

- i) We shall provide all necessary marketing materials related to the Projects including Brochures, posters, Flyers, Audio, Videos etc.,
- ii) We shall provide all necessary legal, commercial documents that may be reasonably required by you for marketing
- iii) We shall provide marketing and sale support to you in the areas of detailed query resolution
- iv) We will provide regular updates about the availability of the Units, delivery status etc., on regular basis
- v) We will protect your interest for all the prospects and clients advised by you. In the event of we having a prior relationship with the Prospective Purchasers / Clients referred by you, we shall inform such incidence within 3 days of such reference by you

5. Cancellation:

- i. That in case of cancellation of the booking by the Prospective Purchaser for whatsoever reason before payment of 20% amount and / or execution of builder buyer agreement, no commission will be payable by us to you. However If cancellation happens after payment of 20% amount and / or execution of builder buyer agreement for whatsoever reason then the commission already paid by us will be adjusted for the future transaction.
- ii. In the event of such adjustment does not happen due to termination of Letter for whatsoever reason, the you shall repay the said commission amount including the service taxes paid thereon.
- iii. In the event of your failure to refund the said amount as per above, we shall be entitled to deduct the said amount payable to your Client and you in turn liable to pay the said amount to your client / Prospective Purchasers

6. Confidentiality:

You shall maintain confidentiality relating to each booking/ sale/ customer information/ personal data/ pricing data and other information which are classified as Confidential.

7. Validity & Termination:

- i. That this letter of undertaking is valid for 12 Months from today.
- ii. That we shall be entitled to recall / revoke the permission granted to you under this Letter at our sole discretion by giving 30 days notice without assigning any reason

8. Intellectual Proprietary Rights:

The ownership and all other rights in respect of the trademark(s), goodwill, trade name(s), copyright(s) and / or any other intellectual property right(s) shall at all times exclusively belongs to us, and you shall not be entitled to any such intellectual property right(s) or to the use thereof in any manner whatsoever., in the event of you infringe any of the said rights by passing off or otherwise, then notwithstanding anything contained herein, we shall be entitled to take appropriate legal action both under civil law and criminal law against you.

9. Jurisdiction:

The subject matter of this Letter shall be determined and governed according to the laws of India, and shall be subject to the exclusive jurisdiction of courts at Bangalore.

10. Arbitration:

In case of any dispute or any difference arising at any time between us as to the construction, meaning or giving effect of or any clause or thing contained herein or the rights and liabilities enumerated hereunder that cannot be amicably resolved between us, the same shall be referred to an Arbitrator to be appointed by us on our sole discretion. The Arbitration Proceedings shall be held at Bangalore and the Language shall be that of English.

In token of your acceptance, you shall acknowledge this letter by affixing your seal and signature.

For FORTUNA BUILDCON (INDIA) PVT LTD

Authorised Signatory With seal