

## Terms of Service

This Agreement is made between Saffron Studios Private Limited and their successors and permitted assigns (hereafter referred to as "SaffronStays", "we", "us", or "our") on one hand and **Home Owner** (hereafter referred to as "Home Owner" or "you" or "your") on the other hand, hereinafter collectively referred to as the Parties and individually as a Party on the date of sign up on the SaffronStays Website and a live listing, whichever is earlier at **Mumbai**

### 1. **KEY TERMS**

- 1.1 **"Accommodation Fee"** is the amount due and payable by a Guest solely for use of the Home Owner's Listing.
- 1.2 **"Booking Sites"** refers to any website, including but not limited to SaffronStays website, including OTAs (Online Travel Agents), their contact centers, or their mobile applications used for the purpose of marketing, generating bookings and reviews
- 1.3 **"Collective Content"** means Home Owner Content and SaffronStays Content
- 1.4 **"Content"** means text, graphics, images, music, software (excluding the Application), audio, video, information or other materials.
- 1.5 "Guest" means a customer who requests a booking of a Listing via any of the Booking Sites, or who stays at a Listing and is not the Home Owner for such Listing.
- 1.6 **"Home Owner"** means a Leisure Home Owner who is a member of the Leisure Home Network and avails SaffronStays services through it.
- 1.7 **"Home Owner Content"** means all Content that a Home Owner posts, uploads, publishes, submits or transmits to be made available through any of the Booking Sites.
- 1.8 **"Listing"** or **"Leisure Home"** means property, the details whereof are mentioned in **Annexure I** hereto, that is listed by a Home Owner or by SaffronStays on behalf of the Home Owner on any Booking Site for the purpose of availing of the services of SaffronStays.
- 1.9 **"Leisure Home Network"** means a network created by SaffronStays of Leisure Home Owners who have agreed to be part of such network to avail SaffronStays services.
- 1.10 **"Net Receipts"** means Accommodation Fee received, net of Taxes, fees of Booking Sites other than SaffronStays, and Payment Gateway charges (including taxes), collected from the Guest on behalf of the Home Owner.
- 1.11 **"SaffronStays Content"** means all Content that SaffronStays makes available through any of the Booking Sites, including any Content licensed from a third party, but excluding Home Owner Content.
- 1.12 **"SaffronStays Share"** means share in the Net Receipts generated from the Home Owner's Listing, payable to SaffronStays for its services to the Home Owner and is calculated as a percentage of the Net Receipts.
- 1.13 **"Tax"** or taxes" mean **"Taxes"** means any sales taxes, service taxes, additional cess or surcharge, service tax, value added taxes (VAT), goods and services taxes (GST) and other similar municipal, state and federal, central indirect or other withholding taxes.

**Appointment & Authorisation**

1. The Home Owner hereby appoints and authorises SaffronStays to solely and exclusively brand, market and accept/ reject/manage bookings through Booking Sites, collecting Accommodation Fee paid by Guests, on behalf of the Home Owner, and respond to subsequent reviews and ratings given by the Guests.
2. The Home Owner agrees that payment made by a Guest to SaffronStays shall be considered the same as a payment made directly to the Home Owner and the Home Owner will make the Listing available to Guest in the agreed upon manner.
3. The Home Owner agrees that, SaffronStays may, in accordance with the cancellation policy selected at the discretion of SaffronStays and reflected in the relevant Listing, (i) permit the Guest to cancel/reschedule the booking and (ii) refund to the Guest that portion of the Accommodation Fees specified in the applicable cancellation policy.
4. In accepting appointment as the limited authorized agent of the Home Owner, SaffronStays assumes no liability for any acts or omissions of the Home Owner.
5. Home Owner also agrees that SaffronStays may determine the appropriate tariff/ Accommodation fee, security deposit, appropriate cancellation policy and at its sole discretion, decide a special pricing for a specific booking (including giving the place for free for not more than 15 nights in a year), or dates or season or weekdays/weekends.
6. SaffronStays would have the discretion to reject a particular booking request if in its opinion, such a booking or such guests may be inappropriate.

**Services provided by SaffronStays & Home Owner responsibilities**

SaffronStays agrees to provide the services specifically captured in charter of services in Annexure II-A and the Home Owner agrees to the responsibilities set out in Annexure II-B hereto.

**Cross-promotions & Co-branding**

Home Owner agrees to allow SaffronStays to place promotional material(s) about any other Leisure Homes in the Network, in the property. Likewise, SaffronStays shall place promotional material, about the Leisure Home, in any other Leisure Home in the Network. The unique branding, jointly created by the Home Owner and SaffronStays, cannot be used further by either Party, in case these Agreements are terminated.

**Tenure**

This Agreement is valid for 9 years from the date of execution of this Agreement. The Agreement shall be renewed every 3 years, thereafter unless the Home Owner terminates this Agreement by way of a written notice 1 month prior to end of the Tenure.

In case the Home Owner decides to sell his Leisure Home, the Home Owner shall give a notice of 3 months to SaffronStays of such an intention. Provided further that the Home Owner undertakes to honour any confirmed bookings.

**Termination and SaffronStays Account Cancellation**

SaffronStays may, in its discretion and without liability to SaffronStays, by giving 1 month notice: (a) terminate this Agreement and withdraw the Services, and (b) deactivate or cancel Home Owner's SaffronStays Account. Upon termination SaffronStays will promptly pay the Home Owner any amounts that SaffronStays may reasonably determine as owed to the Home Owner. In the event SaffronStays terminates the Agreement, the Home Owner will remain liable for all amounts due hereunder, if any.

In the event that the Home Owner terminates this Agreement or lists the Leisure Home at any other website and/ or accepts any bookings directly, this Agreement stands terminated and the Home Owner is liable to pay SaffronStays a sum of Rs 250,000 (Indian Rupees Two Lakh Fifty Thousand Only) or the net revenues of the previous 3 months that the Leisure Home has been in operation, whichever is lower, as compensation in order to compensate fairly for the efforts put in by SaffronStays.

**Personal Use by Home Owner**

Home Owner would inform SaffronStays if they would like to stay at the Leisure Home. Upon such notice, SaffronStays shall keep the Home blocked. Provided that if there is a booking already for the requested dates, in which case, the Home Owner shall provide alternative dates and shall not ask SaffronStays to cancel such confirmed booking.

**Cancellation of Booking**

If the Home Owner cancels a confirmed booking causing a refund to be made to the concerned Guest, the Home Owner is liable to pay 30% of the Accommodation Fee collected to SaffronStays as compensation. This amount shall be deducted from the payout of the following month.

**Ownership**

The ownership of the Leisure Home will at all times rest with the Home Owner and by no means is transferred to SaffronStays under these Agreements. SaffronStays is merely providing a service relating to this Leisure Home as detailed in these Agreements and the Annexures thereto. Further, these Agreements shall not create any tenancy or similar rights in favour of SaffronStays or any guest or any other person referred to herein in respect of the Leisure Home.

**Financial Terms**

As specified in Annexure V of this Agreement.

**SaffronStays Share**

The SaffronStays Share as set out in Annexure II of Home Owner Agreement signed between Home Owner and SaffronStays, would be deducted from the Net Receipts before remitting the Accommodation Fees to the Home Owner. Where applicable, Taxes may also be charged in addition to the SaffronStays Share. Payout to the Home Owner would be remitted by SaffronStays via cheque, direct deposit or other payment methods, in Indian Rupees ("INR"), periodically as specified in the said Annexure II.

**Use by SaffronStays**

The Home Owner agrees to extend a 15% discount to bookings done by SaffronStays' founders, employees, other home owners and investors.

**Home Owners' Privilege Network**

The Home Owner agrees to contribute XX nights to a common pool against which he/she is entitled to avail YY nights in any of the participating vacation homes. These are restricted to weekdays (Monday to Thursday) and do not include long weekends, holidays and super peak season as intimated from time to time by SaffronStays. A nominal usage fee shall be applicable for every room night availed and/ or contributed to the pool. The usage fee for participating Homes shall be mutually agreed at the beginning of every year, to defray variable expenses of hosting guests at the Home.

SaffronStays will extend a discount of 15% to the Leisure Home Owner, in case the Home Owner decides to stay in any of the leisure homes exclusively within the Leisure Home Network. Similarly, Home Owner shall allow SaffronStays to extend a similar discount of 15% to all other Home Owners within the Leisure Home Network.

**Assignment**

SaffronStays may assign or transfer these Agreements, at its sole discretion, without restriction. Subject to the foregoing, these Agreements will bind and inure to the benefit of the parties, their successors and permitted assigns. SaffronStays shall intimate in writing, to the Home Owner within 10 days of such an assignment. In the event the Home Owner wishes to terminate this Agreement/contract due to such an assignment, the termination compensation shall not be applicable to such termination on either parties and the Home Owner is free to exit these Agreements.

**Controlling Law and Jurisdiction**

These Terms will be interpreted in accordance with the laws of India. Courts in Mumbai shall have exclusive jurisdiction over any disputes arising from these Agreements.

**General**

Each party shall comply with all the applicable laws. Each of the parties warrants its power to enter into these Agreements and has obtained all necessary approvals to do so.

**Force Majeure**

A party shall not be liable for any failure of or delay in the performance of this Agreement for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders or any other force majeure event.

**Non-Disparagement or Protection of Reputation**

Neither Party shall partake in any action that negatively impacts the other party, as an organization, its reputation, products, services, management, investors, founders, or employees (past or present).

**Liability**

The home owner understands and agrees that saffronstays is not a real estate broker, agent or insurer. Saffronstays has no control over the conduct of guests and other users of the booking sites and disclaims all liability in this regard.

## **Annexure I - Charter of Roles and Responsibilities**

### **Part A**

#### **SaffronStays Responsibilities**

##### Sales, Marketing & Promotion Services

- To arrive at the 'experience' to provided to the Guest.
- Brand the Property, with a unique identity
- Create and manage listings on SaffronStays, as well as other booking sites and respond to guest reviews;
- To generate content about the property, including written content for marketing the home, special instructions to be placed inside the home, house rules as well as professional photographs and/ or videos for promotions;
- Generate 'creatives' and artwork to be used for digital media promotions;
- Digital marketing including SEO and advertising on Facebook and other Social Media to appropriate audiences.
- Use offline activities to promote the property
- Engage influencers, PR activities including but not limited to popular travel writers/ bloggers/ photographers to stay at the property and write about their experience on their social media profiles/ publications. The cost of accommodation and meals will be borne by the Home Owner.

##### Hospitality Services

- To train the Hospitality Staff
- To set Standard Operating Procedures
- To conduct inspections from time to time, to ensure SaffronStays standards are maintained

##### Operations

- To respond to all booking requests and accept bookings on behalf of the host
- To accept payment and Security Deposit (where applicable) from the guest for confirmed bookings
- To maintain an updated calendar and coordinate with guests for their bookings.

### **Part B**

#### Host Obligations

- To obtain the B&B License before commencement of operations.
- To acquire any other approvals, permissions and registrations as may be required in accordance with the law, municipal regulations and society rules.
- Provide SaffronStays with complete, accurate and timely information;
- Incur costs of upkeep and upgrade of the property as well as actual operational expenses.
- Carry out any obligations which are the Host's responsibility as a home-owner; eg,

- municipal charges, property taxes, caretaker salaries, insurance costs;
- Cooperate fully with SaffronStays in the provision of the Services;
  - Appoint a caretaker to look after the Property and entertain the Guests;
  - Reimburse SaffronStays for any costs incurred on behalf of the Home Owner.

### **Annexure II - Minimum Standard of Amenities**

<b>Area</b>	<b>Minimum Standard (As Applicable)</b>	<b>Notes</b>	<b>Approximate Cost</b>
Sleep Quality	<ul style="list-style-type: none"> <li>● 8 Inch Mattress</li> <li>● 2 Pillows per Person</li> <li>● Percale Cotton Bedsheets, 400 - 600 gsm</li> <li>● Duvets/ AC Comforters/ Quilts (as applicable)</li> <li>● Bed Cover</li> <li>● Extra Bed - 4 Inch Mattress (Cotton or Coir/Foam)</li> <li>● Semi-blackout Curtains</li> </ul>		Rs. 40,000/ Room (Does not include curtains)
Bath Linen	<ul style="list-style-type: none"> <li>● Bath Towels - 700 gsm, 29"x53"</li> <li>● Hand Towels - 700 gsm, 15"x25"</li> <li>● Pool Towels (Striped) - 700 gsm, 36"x72"</li> <li>● Bath Mats in every bathroom, 18"x30"</li> </ul>	3 per Person as per planned capacity	Rs. 6000/ Room
Toiletries and Cleaning Agents	<ul style="list-style-type: none"> <li>● Body Wash, Shampoo and dispensers</li> <li>● Dettol or Lifebuoy Handwash for all wash basins</li> <li>● Taski Products (Sealed Air)</li> </ul>	To be provided by SaffronStays and charged at actuals + transport charges	Rs. 10,000/ Room
Crockery & Cutlery	<ul style="list-style-type: none"> <li>● As shown in reference images</li> </ul>		Rs. 20,000
Power	<ul style="list-style-type: none"> <li>● Stabiliser for all critical appliances</li> <li>● Generator to take full load including ACs OR</li> <li>● Inverter with adequate battery backup + Solar</li> </ul>		
Safety	<ul style="list-style-type: none"> <li>● 0.136 kg Fire Extinguisher in every room</li> <li>● 6 kg Fire Extinguisher in the common area</li> <li>● 2 sand buckets near electrical meter</li> <li>● Exit Plan in the common area</li> </ul>		Rs. 25,000



	<ul style="list-style-type: none"> <li>• Fire Safety Drill charged at actuals</li> <li>• First-Aid Kit</li> </ul>		
Swimming Pool	<ul style="list-style-type: none"> <li>• Filter</li> <li>• Indication of depth with clear markings</li> <li>• Maximum 5 feet depth without lifeguard else with lifeguard</li> </ul>		
Signages	<ul style="list-style-type: none"> <li>• 2-3 Signages indicating directions to the Home</li> <li>• Name Plate of the Home</li> <li>• Guest instructions for usage of appliances and other amenities</li> </ul>	To be provided by SaffronStays Will contain SaffronStays branding and logo along with the name of Home	Rs. 8000
Technology	<ul style="list-style-type: none"> <li>• Android Tablet, 7 inches and above, Wi-Fi enabled</li> <li>• Internet Dongle with 4G and Wi-Fi</li> <li>• CCTVs in common areas with DVR for 30 days</li> </ul>	CCTV feed accessible only to Owner	Rs. 10,000 (Does not include CCTVs)
Uniform	<ul style="list-style-type: none"> <li>• Uniform for staff</li> </ul>	To be provided by SaffronStays Will contain SaffronStays branding and logo	Rs. 1000 per staff
Room Amenities	<ul style="list-style-type: none"> <li>• Mosquito Repellants, Water Jugs, Glasses, Dustbins with liners, luggage rack and/ or cupboard, emergency light, clothes hangers</li> </ul>	These are indicative in nature	

### **Annexure-III Breakup of Set up Costs**

<b>Sr. No</b>	<b>Expenses by SaffronStays</b>	<b>Amount (in Rs.)</b>
1	Detailed Audit of the Home - (A report on the structure/ architecture, services, amenities, staff, surroundings etc. including travel)	20,000
2	Photography <ul style="list-style-type: none"> <li>- Architecture &amp; Design</li> <li>- Landscape &amp; Views</li> <li>- Amenities</li> <li>- F&amp;B</li> <li>- Highlighting the USP/ Story of the Home</li> </ul>	25,000
3	Videos as needed <ul style="list-style-type: none"> <li>- Walk Through/ Home Orientation</li> <li>- Home owner Interview</li> <li>- Testimonials</li> <li>- Drone video as needed</li> </ul>	20,000 - 40,000
4	Hospitality Training <ul style="list-style-type: none"> <li>- Hygiene &amp; Grooming</li> <li>- Housekeeping</li> <li>- Food Preparation &amp; Table Set Up</li> <li>- F&amp;B Service</li> <li>- Guest Interaction</li> <li>- Inventory Management</li> <li>- Recruitment of Staff if required</li> </ul>	10,000
5	Experience Curation including F&B	25,000
6	Content Development <ul style="list-style-type: none"> <li>- Instructions for Guests to be placed in the Home</li> <li>- House Rules</li> <li>- Story of the Home &amp; Home Owner</li> <li>- Content for Website</li> <li>- Things to Do Around</li> </ul>	20,000
7	Listing Management <ul style="list-style-type: none"> <li>- Creating listings on various online distribution platforms</li> <li>- Configuring listing on Channel Management Software</li> <li>- Creating listing &amp; location pins on search engine</li> </ul>	15,000
9	PR required for launch including influencer marketing	15,000

10	Procurement & Co-ordination for purchasing/ upgrading amenities for the home	20,000
11	Project management of vendors, service providers, architects, styling artists, designers, etc	25,000
	<b>TOTAL (in Rs.)</b>	~ 2,25,000

## **Annexure IV - Financial Terms**

### ***Setup and other Fees/charges***

A feasibility and assessment fee shall be mutually discussed and agreed with Home Owner (GST applicable at 18%) and will be payable to SaffronStays. In case, if SaffronStays and the Home Owner agree to proceed with this agreement, this will be adjusted against the payouts. Else, this is payable immediately.

In the event that SaffronStays curates the decor of the Home, on behalf of the Home Owner, a 15% service charge shall be levied on the total project cost.

SaffronStays in consultation with the Home Owner, may engage an appropriate HR agency to recruit the required staff for hospitality operations at the Home, if deemed necessary. The cost of recruitment, commission or fees to the agency and salary of the hired will be borne by Home Owner.

SaffronStays in consultation with the Home Owner, may also engage a professional consultant to set up the kitchen or curate the F&B experience, if deemed necessary. The cost of this exercise will be borne by the Home Owner.

In case the original hospitality/ caretaking staff resigns or leaves the employment of the Home Owner and new staff is brought in, SaffronStays shall charge a fee of Rs. 5,000/- per day for every such re-training exercise.

For all expenses incurred and upgrades overseen by SaffronStays, SaffronStays shall charge a service charge of 10% (GST as applicable).

### ***Operating Expenses, paid by Home Owner***

Home Owner shall bear the following costs

- Cost of registration & renewal of the Home as a registered B&B with the Government.
- Cost of insuring the Home against theft, fire, earthquake and such other calamities, and E&OE.
- Cost of special insurance policy to cover liabilities arising from Guest claims. This will be a floating cover, front-ended by SaffronStays on behalf of all Home Owners. This is approximately Rs. 750/- per month.
- Civil repairs (including painting once every 4 years) needed internally as well as Maintenance of Exteriors, including waterproofing, painting, etc.
- Annual Deep Cleaning and Pest Control.
- Municipal taxes, charges, including water charges, property taxes and charges for upkeep of the common areas.
- Electricity charges for the Home;
- Caretaker salaries/incentives;
- Laundry and other operating costs incurred to service a Guest booking;
- Consumables including industry cleansers, fire extinguishers, employee uniforms provided by SaffronStays, used for providing Hospitality Services to the Guests.

***Revenue Sharing Arrangements:***

Net Receipts earned from the Leisure Home shall be shared between SaffronStays and the Home Owner. This ratio shall be discussed with Home Owner

HomeOwner's Share (after deducting Operating Expenses, incurred by SaffronStays, if any) will be made to the Home Owner before the 10th of the following month. TDS shall be deducted, as required by law.