

# Protected Territories

The rules & conditions protecting and governing protected territories

## How do I earn and maintain a protected territory?

A protected territory is earned by maintaining a house lead closing ratio of at least 50% on an ongoing 3 month average. If at the end of a particular 3 month period a Territory Manager's house lead closing ratio is less than 50%, They may (at the Sales Manager's discretion) lose the exclusive rights of that area.

## What does it mean to have a protected territory?

### House Leads:

Having a protected territory means that a Territory Manager will have an area (usually separated by townships) that they are responsible for managing & developing. Any house leads (new construction or existing) that come from a protected territory will be offered to the Territory Manager that is assigned that territory first. If the lead is declined or the Territory Manager of that territory is unavailable, the lead may be assigned to another Territory Manager from another area. (Lead rotation applies to open areas only, however ratios are calculated by all house leads run regardless of territory)

### Creative Leads

A Territory Manager who earns a protected territory will have exclusive canvassing rights to that territory. No Territory Manager may canvass or actively pursue leads in a protected territory other than their own without specific detailed communication and agreement with the Territory Manager assigned to that territory. This does not apply to open areas or areas that are not assigned to a specific Territory Manager.

## What is New Construction or an Existing Home?

For the purpose of these rules, the term "new construction" is defined as a new home that is built from the ground up that has been occupied for a

period of no more than 90 days (180 days if supplied by city water). This includes, for example, a spec house that has been on the market for 2 years but only sold and occupied for less than 3 months. An existing house is any house occupied for longer than this time period. Remodeled or partially rebuilt homes also fall into the existing home category unless the home was torn completely down and reconstructed from the ground up.

### **Referrals to a New Home**

Occasions are expected to arise where a Territory Manager receives a referral from a builder or customer for a new construction home in another Territory Manager's protected territory. When this occurs immediate communication is not only a courtesy but a requirement. In this instance, the Territory Manager who received the referral has the first opportunity to run the lead. If a sale is made, all commission & charge backs will be split 50/50. All relevant points and money towards bonus will go to the Territory Manager who is assigned the territory where the installation is completed. *(There is some liberty for two or more Territory Managers to alter the above arrangements. But if any disagreement arises the preceding rules will apply.)*

If a Territory Manager discovers, through any means, that a sale to a new construction home has been made without any prior communication or agreement, then 100% of the commission, points and bonus will be withdrawn from the Territory Manager that sold the equipment and given to the Territory Manager who is assigned that territory.

In the rare occasion that two or more Territory Managers receive separate referrals to the same customer and an agreement cannot be worked out amongst both parties, the person who is assigned the territory will have the first opportunity to run the lead. Commission will be split 50/50 and bonuses and relevant points will be awarded the Territory Manager who is assigned the Territory. In this instance both referral sources will receive the appropriate referral compensation with both Territory Managers splitting the total discount amount charge back 50/50. If this situation arises in a territory that is open at the date the lead is run then the person with the highest closing ratio will be treated as if they were assigned to the territory.

### **Referrals to an Existing Home**

If a Territory Manager receives a referral to an existing home in another Territory Manager's territory, he/she may sell it without penalty or splitting commission, points or bonus.

Name\_\_\_\_\_

Date\_\_\_\_\_