**APPOINTMENT OF SOLE SELLING AGENTS BY A FOREIGN COMPANY**

THIS AGREEMENT made at……………..on this……………..day of……………..20………. between A B Ltd., a company duly incorporated and existing under the law of England, having its principal office at .......... (hereinafter referred to as the A B) of the ONE PART and M/s. X Y, a partnership firm having its principal office at…………….(hereinafter referred to as the X Y) of the OTHER PART.

WHEREAS the A B is the manufacturer of processing machines of stone industry and consumables and spare parts used in those machines and wants to appoint sole selling agents for the entire Northern States of India and has entrusted the same to X Y who has agreed to market the products of A B in the entire Northern States of India on the terms and conditions mutually settled between the parties and recorded herein.

NOW IT IS MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

**1. Commencement and duration.** This agreement shall take effect from the and shall remain in force for the next three years that is till

**2. Territory.** The area covered by this agreement is all Northern States of India except Tamil Nadu, Andhra Pradesh, Karnataka and Kerala, hereafter referred to as the Northern Indian States.

**3. Products.** All products by A B pertaining to stone industry namely the processing machines, consumables, spare parts, etc., will be marketed by X Yon behalf of A B in Northern Indian States.

**4. Obligation on the part of.** A B

4.1 It is agreed and understood between both parties that no other agent, commission merchant, sole distributor, coordinator will be engaged in the above areas and also for the above product indicated in point Nos. 2 and 3.

4.2 This agreement authorises the exclusive selling agent namely, X Y to prepare and sign all Performa invoices, quotations, contracts and other relevant connected documents on behalf of the company. While negotiating and concluding contracts for the sale of stone products by A B, the agent should respect the prices as well as the terms and conditions as fixed by A B.

4.3 In case of North Indian customers (apart from the territory mentioned in point 2) setting up factories in South India only Mr. M N is authorised to follow up on behalf of A B and this order will be treated as South Indian order, for which commission will be paid as per this contract.

4.4 In case of South Indian customers setting up factories in North India only X Y is authorised to follow up on behalf of A B and this order will be treated as North Indian order, for which commission will be paid as per this contract.

**5. Liabilities of the agent.‑**

5.1 the agent is not allowed to represent any product of the competitors. However, he can represent allied products like diamond, blades, mining equipment, etc.

5.2 The agent should submit periodical reports and marketing information about competitors activity and other relevant information to the principals.

5.3 X Y has to report to the General Manager of glass stone, etc. and the General Manager of A B, on all matters connected with A B.

**6. Discount for equipment and consumables.** The decision to offer discount either for the capital equipment or for the consumables will be decided by A B or will be fully absorbed by A B up to 5 per cent.

**7. Monthly retainer for administrative and travelling expenses.** A B will pay monthly retainer of US $……………..to……………..from............to……………..and from…………… to……………..US $……………..towards the administrative and travelling expenses.

**8. In the event of termination.** In the event of termination of this contract, the agent is authorised for his commission for those projects where the order is booked during his tenure as A B agent provided the UC is established within a year from the date of such termination.

**9. Indian service engineers.** The Indian service engineers employed right now and also in future should report to the agent for their day-to-day activities.

**10. Validity.** All modifications and amendments must be made in writing. This contract can be reviewed or remodified with mutual understanding at least three months before the expiry of the contract date. However, if the clauses indicated in this contract are not changed, this contract will be automatically valid for subsequent three years period

IN WITNESS WHEREOF the parties have signed these presents and a duplicate hereof through their duly authorised officials, the day and year first hereinabove written.

WITNESSES Signed and delivered by

1. A B Ltd., London, the company by the hand of Shri ……………..General Manager, it’s duly authorised official

2. Signed and delivered by M/s. X Y, by the hand of Shri………..…General Manager, its duly authorized Official