**Agreement to Appoint Agent in District**

This Agreement is made on this........day of.................... 19...... between :

1.     Mr. A s/o Mr. B r/o XY, hereinafter called the "Principal", on the one part ;

and

2.     Mr. C s/o Mr. D r/o XYZ, hereinafter called the "Agent" on the other part.

WHEREAS the principal is a dealer of ...............and is interested to appoint an agent for the district of.............

AND WHEREAS the agent has approached the principal for his appointment as agent of the principal.

AND WHEREAS the principal has agreed to appoint the agent as agent.

NOW THIS AGREEMENT WITNESSES AS UNDER :

1.     That the agent is hereby appointed as agent of the principal for the district of..............to sell the goods of principal.

2.     That this appointment is made for a period of five years from the date of execution of this deed.

3.     That agent shall sell the goods of the principal on the prices fixed by the principal. The Agent shall have no right to make any representation in the trade. He shall further not be entitled to give warranty other than those printed in the price list of the principal.

4.     That the agent shall get 10% commission on sales price. The agent is entitled to deduct such 10% commission from the sale price on weekly basis on every Saturday and remit the balance amount to the principal on the same day.

5.     That the agent shall make all sales cash down. He is not entitled to make any credit sales, unless permission for such credit sales to some particular customers, is obtained from the principal.

6.     That the agent shall obtain premises on rent in the market area. The expenses in this regard, and agreed rent and securities shall be borne by the principal.

7.     That the agent shall bear all incidental or other expenses relating to agency.

8.     That the agent shall while making a sale to trade take an undertaking from the dealer that no retailing shall be done outside agency territory.

9.     That the agent shall mention himself as agent on all papers, documents, cash memos, bill books and letter head etc. for the principal.

10.  The breach of conditions mentioned in clause 8 and 9 shall entitle the principal to terminate the agreement and recover a sum of Rs.............by way of damages.

11.  That the principal shall keep with the agent stock valuing Rs.............. at all time. For this purpose the agent shall submit weekly stock list of the goods of the principal with the agent.

12.  That the agent shall sell the goods to the purchaser at the current price list of the principal. The agent is entitled to allow a discount of 2% on purchases of Rs. 5000/- and above.

13.  That in case any dispute arises between the purchaser and the agent regarding goods of the principal, the agent shall immediately inform the principal for settlement of the dispute and in no case the agent shall make any compromise with the purchaser without the consent of the principal.

14.  14. That either party may terminate this agreement after expiry of 5 years after giving one month's prior notice of his intention to do so.

15.  That in no case the benefit of the agreement can be assigned to any third person.

16.  That during the continuance of this agreement the principal may supply the goods direct to the dealers of the district in which agency has been given to the dealer. On such direct supply also the agent will get the same commission which he is getting for supply of goods direct to the agent.

17.  That during the currency of this agreement, the agent shall work honestly and diligently in increasing the sales of the goods of the principal and shall not engage himself directly or indirectly in any other business without the written consent of the principal.

18.  That the agent shall make sales of all goods at his place of business but if the agent so desires he can deliver the goods at the purchaser's place on his own cost. The principal will not bear such expenses.

19.  That the principal shall have the right to terminate this agreement without prejudice to any other remedy for any breach or non-performance of any part of this agreement namely :

1.     If the agent is found guilty of a breach of any provision of this agreement or is found guilty of misconduct or negligence of his duties ;

2.     If the agent is found absent from his duties for more than a week without the prior permission of the principal ;

3.     If the agent commits any act of bankruptcy.

20.  That if any dispute arises between the principal and the agent regarding this agreement the same shall be settled by arbitrators duly appointed by both the parties.

21.  That on termination of this agreement the agent shall return all unsold goods to the principal and shall handover principal's cash and other documents and papers etc. within seven days from the date of termination.

We the above mentioned parties have signed this agreement in the presence of the following witnessess :

Witnesses :

1. Name......................................

Address...................................

................................................ .............................Principal

2. Name..................................... . ................................Agent

Address..................................

...............................................