**Agreement For Appointing Of Sales Agent**

This agreement is made on this 7th day of June 1999 between AB Ltd., a company registered under the Companies Act 1956 having its registered office at 7 N.S. Road, Calcutta 700 001 (hereinafter referred to as the company which expression shall unless the context requires otherwise include its heirs) of the one part

and

Ms. CD Ltd. of 5 Bangalore Road, Bangalore, Karnataka (hereinafter referred to as the agent) of the other part.

whereas the company is doing business, manufacturing and dealing in Computers, Computer Hardwares and Computer Softwares for the last 10 years and selling its products both in domestic and export markets.

And whereas the agent was working with another company as Chief Mechanic of Computers, acquiring knowledge of repairing Hardwares and Softwares and rendering after sales service and keeping Computers in good working condition.

And whereas the agent leaving his previous company has asked the company for agency to sell the products of the company on commission basis.

And whereas the agent has declared for not working for any other company and that he wants to work as agent for selling computers with its accessories as an independent contractor.

And whereas the company and the agent had discussed and negotiated concerning sale of company's products by agent in the territories covering States of Karnataka, Kerala and Andhra Pradesh.

And whereas the parties herein have consented mutually to terms /conditions concerning  sale of company's products.

Now these presents witnesseth and the parties hereby consent as follows:

1. The company hereby appoints the agent being agent of the company in the States of Karnataka, Kerala and Andhra Pradesh for selling the company's products including Computers, Computer Hardwares and Computer Softwares for a period of three years beginning from 1st July 1999 on terms/conditions stated hereinafter.

2. The agent shall:

(a) Try his best to promote and expand the sales of company's Computers, Hardwares and Softwares (hereinafter referred to as the "products") in the State of Karnataka, Kerala and Andhra Pradesh (hereinafter called the "territories") to all potential purchasers thereof and work diligently in obtaining orders therefor;

(b) act faithfully and loyally and obey orders and instructions of the company and if in any case he does not get instruction in a particular matter to act in such a manner as the agent reasonably considers to be most advantageous to the interests of the COMPANY;

(c) Do not engage or being interested directly/indirectly as the principal, agent, partner, director or employee in production, sale/advertisement of goods of any detail or kind or akin to or competing with the products of the company without the prior express consent of the company;

(d) not taking orders for selling to any person of the products which he known by him or has reasonably to believe are intended for re-sale outside the territories without prior consent of the company;

(e) refer to the company all enquiries for products received from outside the territories as also from addresses in the territories for re-sale outside the territories;

(f) taking orders per selling goods after confirmation and acceptance by the company on usual terms/conditions;

(g) not making any representation in selling goods nor giving any warranties/concessions other than those kept in the company's conditions of sale;

(h) keeping proper books of accounts/records of all enquiries and transactions concerning to the products separate from other transactions outside the agency and submit reports for the time being to the company and permit the company's authorised officer in inspecting and taking copies of such books of accounts/records;

3. The AGENT shall conduct market-survey and properly enquire on financial stability of the intending purchasers of goods and present reports to the company. The agent shall promote and attend sale of products at all Sales Exhibitions and Trade Shows after properly intimating the company particulars thereof.

 4. The agent shall not transfer, assign or charge his rights under these presents and in all communication with commercial documents concerning the products shall describe himself as the Selling Agent for the company's products.

 5. The agent shall be defraying all expenditure as incidental to the Agency, shall not make directly or indirectly any profit or take any advantage in the selling the products and shall not leak any information concerning the company's trade secrets or know-how or marketing technique or any mode of manufacturing, selling or dealing in its products.

6. The agent covenants and agrees that the agent shall not acting as Selling Agent for other company to Computer goods akin to company's products for three years within the said territories after terminating the present agreement.

7. The company its own expense shall supply to the agent samples, patterns, catalogues, operating manuals, repairing manuals, details of parties and advertising materials as the company deems reasonably enough enabling the agent to conveniently render after-sales-service to purchasers of the products in the said territories.

8. Notwithstanding anything to the contrary contained herein the company retains to itself its right:

(a) to deviate at its absolute discretion without assigning any reason there for any order or to submit any quotation or tender on any enquiry transmitted to the company by the agent;

(b) In selling and supplying the company's products directly to customers in the said territories;

(c) To assign and transfer its rights/obligations under this covenant to any other concern having given 15 days' notice to the agent.

9. It is consented if in reasoned opinion of the company the agent is not producing sufficient sales coverage in or through the said territories, the company may exclude a part of territories or otherwise vary the extent of the territories on previous notice to the agent.

10. In consideration of services to be served by agent the company will pay to agent a commission of 10% on invoice price of products sold in the territories upto a sale of Rs. 10 lakhs and after it 5% up to the sale of Rs. 20 lakhs and 2.5% on sale exceeding  Rs. 20 lakhs. Such commission is payable on furnishing of accounts every three months.

11. The company shall reimburse every month actual expenses of travelling, advertisements, repairs to computers sold and such other expenditure which the agent might reasonably spend concerning rendering after-sales-service and promoting sales of the company's products.

12. If any customer does not pay or pay in less or returns the goods concerning which the company has paid commission to the agent, agent hereby undertakes and agrees to refund the commission received for such products.

13. In addition to any other rights herein or under the law, the company shall bear the right at any time for giving express notice to agent determining the Agreement at once. if agent contravenes any terms herein or it does any act of insolvency or agent is restricted in doing his duties hereunder for 3 months for any reason whatsoever or agent is guilty of any conduct prejudicing interests of the company or the agent purports to transfer the burden or advantage or charge the advantage of this Agreement.

14. After terminating this covenant the agent per his own expenses promptly return to the company all samples, patterns, catalogues, advertising materials, specifications and other materials, documents and papers concerning the business of the company which the agent having in his possession or in his control.

15. The waiving by company of any contravention of any of the terms of this Agreement shall not restrict the future enforcement of that term and shall not be considered a waiver of any future contravention.

16. There are no other promises, terms/conditions other than those having in these presents.

17. This Agreement shall be renewed after three years on the terms /conditions which might be mutually consented upon.

In witness whereof the parties have executed these presents on the day, month and year first above-written.

Signed,   sealed   and   delivered   by Mr. ......................... pursuant to Board Resolution of AB Ltd. dated 5th June 1999 in the presence of witness

Signed, sealed and delivered by Mr……. on behalf of Ms. CD Ltd., the agent in the presence of witness.

DATE:

PLACE:

WITNESSESS:-

1. Ms. AB Ltd.

2. Ms. CD Ltd.