

AGREEMENT BETWEEN A COMPANY AND AN ADVERTISING AGENCY

THIS AGREEMENT executed on this.....day of 20... atbetween: Ltd., a company incorporated under Companies Act, 1956 and having its registered office at..... herein after referred to as "the Company" through its Director (Which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of the FIRST PART

And

M/s. Advertising Agency, a partnership firm registered under the Partnership Act, 1932 and having its registered office at hereinafter referred to as "the Agency" through its Partner (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include every partner for the time being of the said firm, the survivor or survivors or the legal representatives, executors or administrators of the last survivor) of the OTHER PART.

WHEREAS the company is the manufacturer of products hereinafter referred to as "the said products" and is desirous to engage the services of an advertising agency for the purpose of advertisement of their products in India and abroad.

AND

WHEREAS the Agency has agreed to act as advertising agents for the company on the terms and conditions hereinafter mentioned

NOW IT IS HEREBY AGREED BETWEEN THE PARTIES:

1. The company appoints the Agency to advertise the said products in the newspapers, magazines, journals, cinema slides, video magazines, radio, television or public hoardings as may be determined by the parties.
2. The Agency shall submit the estimate of cost and method and period of the advertisement to the company and after the said estimate and methods of advertisements is approved by the company in writing, the advertisements will be released to the concerned newspapers, magazines, television centre, etc
3. The Agency shall be responsible for preparing all the material for advertising, publicity including art work, photography, cinematography, documentary films, drawing, engraving, advertising writing, preparation of video films for T.V. advertisements and video magazines and if the said works are got done by the Agency at its own office with the help of its employees, the company shall pay for the same at the market rates and settle between the parties. If the said works are got done through outside agencies, the company shall pay all expenses incurred by the Agency for getting the work done through outside agencies.

4. The company shall pay to the Agency percent above the cost and other expenses incurred by the Agency in this behalf as its commission.

5. The Agency will be responsible for advertising the said products in India and other countries of the world, wherever the said products are exported or the company proposes to export its products.

6. Whenever the company manufactures any new product and launches the same in the market for sale, the Agency shall undertake special advertisement campaign for the said new product in consultation with the company.

7. The Agency will not act as Advertising Agent of any company/person, who is manufacturing similar products and who are competitors of the company.

8. The Agency shall observe the laws applicable and the rules or code of conduct of advertisers' associations, association of newspapers or rules prescribed by television and radio.

9. The Agency shall submit a weekly report to the company showing in detail the advertisements given regarding each of the said products separately and showing the dates, the timing or appearance of the advertisements, the names of newspapers/channel of TV given during the previous week. The report shall also accompany the cutting of newspapers/journals/magazines/clippings of T.V. Programme published/broadcast of the products.

10. The Agency will not infringe any copyright of any person/company while displaying or publishing any advertisement of the company.

11. The Agency shall indemnify and keep indemnified the company against any loss, claims, demands, actions, proceedings, damages, costs, charges and expenses which may be made or brought or commenced against the company for any act contrary to the provisions of this Agreement or due to or resulting from the breach of any agreement between the Agency and any newspaper/T.V. or any other person relating to the advertisement of the products of the company.

12. The company shall indemnify and keep indemnified the Agency against any loss, claims, demands, actions, proceedings, losses, damages, costs, charges and expenses which may be made or brought or commenced against the Agency for the publication of any advertisement of the company, which has been prepared on the basis of the material furnished by the company.

13. The company's budget for advertisement is Rs. per year, and the company agrees and undertakes that it shall get the advertisement of its products done through the Agency.

14. This agreement shall be for a period of one year from the date of these presents. However, any party may terminate this agreement before the period of one year by giving two months

notice in advance to the other party. In case the Agency commits a breach of any covenants herein contained, the company is entitled to terminate the agreement by giving one week's notice.

15. On the termination of the agreement, all the advertisement materials in the possession of the Agency will be returned to the company forthwith and will not be used by the Agency for any other purpose or persons.

16. The Agency shall submit the bill to the company every month for the expenses incurred by it in advertising and the company shall pay the bill within a period of 10 days of the submission of the bill therefor. The commission payable to the Agency shall be payable on the gross value of the work done or undertaken on behalf of the company and shall be paid along with the payment of bill of cost and expenses submitted by the Agency.

17. The Agency shall also charge service tax on their bills at the rates applicable from time to time.

18. The Agency shall advise the company of the most up to date, decent and profitable mode of advertisements at moderate rates.

19. The company shall endeavor to keep the agency with sufficient funds to pay the expected charges for advertisement.

20. All disputes between the parties hereto arising out of this Agreement or in relation thereto or regarding the interpretation of this Agreement, shall be referred to an arbitrator appointed by the and the provisions of the Indian Arbitration and Conciliation Act, 1996 or any statutory modification thereof shall be applicable to such reference.

IN WITNESS WHEREOF the parties hereto have signed this Agreement on the day and year first above written.

WITNESSES

1 The Company
For Ltd.
(.....)
Director

2. The Agency
For Agency
(.....)
Partner