

IN-MADagt03

## **Sales agency agreement: sale of services**

**Dated:** [Date]

**Agent:** [Name]

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**This agreement is dated:** [Date]

**The Principal is:** [Company name] (“the Principal”)

**The Principal’s address is:** [Company address]

**The Agent is:** [Agents’ name]

**The Agent’s address is:** [Agent’s address] (“the Agent”)

**The contract terms are:**

## 1. Definitions

These definitions apply unless the context

“Confidential Information” means all information about the parties to this agreement, including any information which may give a commercially competitive advantage to any other person. It does not include information that it is reasonably necessary to disclose to a customer or other person

information about staff and their personal contact information;

data or information relating to product plans, marketing strategies, finance, operations, customer relationships, customer profiles, sales estimates, business plans, and internal performance

It includes information about the Intellectual Property and

“Control” (including all derived terms), means, with respect to the relationship between two or more corporate bodies, the possession, directly or indirectly, of the power to direct the affairs or management of a corporate body, whether

through the ownership of voting securities, as trustee or executor, by contract or otherwise, including, without limitation,

"Intellectual Property" means intellectual property owned by us, of every sort, whether or not registered or registrable in any country, including intellectual property of kinds coming into existence after today; and including, among others, patents, trademarks, unregistered marks, designs, copyrights,

"Know-how" means methods, procedures and ways of working and organising which are

"Net Sales Receipts" means the money receivable for sales of the Services after deduction of any sales tax, packing and delivery costs and service provider costs charged by any person relating to

"Services" means define the services offered.

["Territory" means the country / state/ [ ]].

## 2. Interpretation

In this agreement unless the context otherwise requires:

2.1 A reference to one gender shall include any or all genders and a reference to the singular may be interpreted

- 2.2 A reference to a person includes a human individual, a corporate entity and any organisation
- 2.3 A reference to a person includes reference to that person's successors, legal representatives, permitted assigns and any person to whom rights and obligations are transferred or pass as a
- 2.4 In the context of permission, "may not" in connection with an
- 2.5 The headings to the paragraphs and schedules (if any) to this agreement are inserted
- 2.6 Any agreement by any party not to do or omit to do something includes an obligation not to allow some
- 2.7 A reference to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information,
- 2.8 The words "without limitation" shall
- 2.9 A reference to an act or
- 2.10 In any indemnity, a reference to costs or expenses shall
- 2.11 All money sums mentioned in this
- 2.12 This agreement is made only in the English language. If there is any conflict in meaning between the English language version of this agreement

### **3. Basis of agreement**

- 3.1 Nothing in this agreement shall be
- 3.2 This agreement contains the entire agreement between the parties and supersedes all previous agreements and
- 3.3 All conditions, warranties and other terms implied
- 3.4 The Principal may
- 3.5 This agreement is personal to the Agent.

### **4. Terms of appointment**

- 4.1 [The Principal hereby appoints the Agent as his exclusive / non-exclusive](#)

[OR](#)

- 4.2 [The Principal hereby appoints the Agent as his exclusive /](#)

4.3 [The agency created by this agreement is not exclusive in that the

].

4.4 The Principal now

:

1.1.1 identify prospective customers for the Services;

1.1.2 negotiate sales contracts within the

;

1.1.3 monitor contract performance by the Principal and the customer, including

[ ], ,

4.5 [The Principal may sell Services direct

].

4.6 In marketing the Services the [ / / ].

4.7 The Agent shall be responsible for obtaining

, .

4.8 The Agent will not be involved

.

4.9 [Other prohibitions by the Principal].

## 5. Agent's general duties

The Agent agrees that he will:

5.1 look after the

;

5.2 keep the Principal informed as often

;

- 5.3 comply with the reasonable instructions of the Principal;
- 5.4 use his  
;
- 5.5 cultivate and maintain  
;
- 5.6 comply with all applicable  
;
- 5.7 advise the Principal when he becomes aware  
;
- 5.8 refer prospective customers  
;
- 5.9 not use any name or mark or get-up

## 6. Agent's duty to sell the Services

- 6.1 The Agent shall submit marketing plans and reports to  
,  
1 .
- 6.2 All sales by the Agent on behalf of the Principal shall be made on the Principal's standard terms and  
;  
,
- 6.3 The Agent shall not make or give any promise,  
,
- 6.4 The Agent will co-
- 6.5 The Agent will sell the Services



6.6 The Agent will immediately

6.7 The Agent will not

6.8 The Agent shall not

6.9 Subject to this agreement,

## 7. Commission payment procedure

7.1 The Principal will pay commission to the Agent on Net Sales  
[  
].

7.2 The Principal alone

7.3 The rates 2 .

7.4 The Principal undertakes to send to the Agent

7.5 Before the [10th] of each month the Principal will send to the Agent a statement listing the invoice

,  
[ /  
 / / ].

7.6 Payment of commission will [ ].

7.7 If either party fails to pay any money due to the other  
,  
[ 10 ] % ,

7.8 In all questions of currency conversion, the conversion calculation shall be made

7.9 All sums payable under this agreement are exclusive of any goods and services

7.10 Each party shall keep proper accounts to record each customer  
[ 7 ]

7.11 If at any time the Agent has taken orders for Services which are not subsequently delivered to the customer

## 8. Rights and duties of the Principal

The Principal remains at all times and in all circumstances in

8.1 look after the

8.2 supply to the Agent from time to time:

1.1.4 appropriate quantities of catalogues,

1.1.5 equipment appropriate to create

8.3 honour all contracts for sale of the Services concluded by the Agent

8.4 give reasonable notice to the Agent

;

8.5 promptly and efficiently

;

8.6 tell the Agent immediately he becomes aware of any actual

;

8.7 provide to the Agent each month a list of customers

.

## 9. Confidential Information

9.1 In respect of the Confidential

,

:

9.1.1 use his best endeavours to

,

;

9.1.2 not store, copy, or use the Confidential

[ . . . .];

9.1.3 not use or disclose Confidential Information except to such

,

;

9.1.4 explain to all relevant employees agents and sub-contractors about

-

;

9.1.5 from today until the expiry of five years from the termination of this

,

.

9.2 This paragraph does not apply to disclosure:

9.2.1 made by order of the court;

9.2.2 of information or knowledge which comes

;

9.2.3 as may be minimally necessary to

9.3 The obligations set out in this paragraph

## 10. Intellectual Property

The Agent acknowledges that the Intellectual Property belongs exclusively to the Principal and if the Agent should create any new intellectual

,

:

10.1 be vigilant in seeking out any infringement of the

;

10.2 not cause or permit anything

;

10.3 not within [three] years of termination of this contract,

,

,

;

10.4 notify the Principal

;

10.5 take such reasonable action as the Principal

;

10.6 compensate the Principal for any

;

10.7 on the expiry or termination of this

;

10.8 not use [the ]

;

10.9 not use any name or mark

;

10.10

;

10.11 [ ]

[ ]

]

;

10.12

[ ]

]

.

## 11. No competition

11.1

,

,

:

1.1.6

,

,

;

1.1.7

,

,

;

1.1.8

11.2

11.3

## **12. Assignment**

12.1

12.2

## **13. Sale of business or change of Control**

13.1

13.2

13.3 The Agent agrees that this provision is fair.

## 14. Termination

14.1

|   |            |
|---|------------|
|   | :          |
| For the first 12 month period from today  | Rs [00000] |
| For the second 12 month period from today | Rs [00000] |
| For the third 12 month period from today  | Rs [00000] |
| For any 12 month period thereafter        | Rs [00000] |

14.2

Either party may terminate this agreement:

14.3 [ 3 ]

14.4

28

14.5

28

14.6

## 15. Consequences of termination

15.1

;

15.2

15.3

15.4 [

:

1.1.9 is not in breach of this agreement;

1.1.10 has achieved agreed sales targets;

1.1.11

;

[ ]

].

## 16. Miscellaneous matters

16.1

,

-

,

16.2

,

16.3

16.4

,

,



16.5

16.6

OR

16.7

16.8

16.9

16.10

It shall be deemed to have been delivered:

;

[ 72 ] ;

[ 24 ] ;

-

- : [ 24 ]

-

. [

-

,

]

16.11

16.12

16.13

16.14

16.15

, [ ] .

Signed by [personal name] on behalf of [named Principal] as its / his representative who personally accepts liability for the proper authorisation by [named Principal] to enter into this agreement.

Signature

Witness to signature:

Name:

Address

Signed by [personal name] on behalf of [named Agent] as its / his representative who personally accepts liability for the proper authorisation by [named Agent] to enter into this agreement.

Signature

Witness to signature:

Name:

Address

## Schedule 1 Marketing plans

[

].

## Schedule 2 Commission rates

[

].

# Explanatory notes:

## Sales agency agreement: sale of services

### Comments following the numbered paragraphs

#### 1. Definitions

We know nothing about your business, so we cannot provide you with defined terms which precisely describe what you sell. By all means use the search/replace function in your word processor

| <b>We use</b> | <b>You decide to change to</b>                           |
|---------------|--|
| Service       | Device / Supergram / Radiodata Controller / Range /<br>/ |
| Principal     | Superfactors / Jane Smith Ltd                            |

But if you do change the defined word, **make sure it applies to every use**

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really

#### 2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered in the context of this agreement and has been included for a purpose.

#### 3. Basis of agreement

This paragraph prevents a party from later saying he was relying on some other document or web site or what was said. If other documents are to be relied on, let them be listed

#### 4. Terms of appointment

The terms of appointment are very important. Agree all aspects of the structure in

#### 5. Agent's general duties

Regulatory approvals are generally the prime responsibility of the principal. However, the person on the ground locally may be far better placed to deal with local bureaucracy.

The agent has been given the obligation to keep up with new law relating to the services. Different jurisdictions take different views as to the importance of consumer protection laws.

This may be the best place to add

## **6. Agent's duty to sell the Service**

It is very important that the terms and conditions of sale are incorporated into the contract. That can only happen if the

## **7. Commission payment procedure**

We have provided a very comprehensive set of terms. Change them as you

## **8. Rights and duties of the Principal**

These points are very basic and probably what most principal's would be happy with in any event. But if

## **9. Confidential Information**

We have included this paragraph because a business has so many secrets which could easily be stolen that some safeguard is sensible. You should consider

“ ”

## **10. Intellectual Property**

Few business managers appreciate just how much IP is owned by the business. There is an enormous variety of IP rights,

## 11. No competition

Often called “covenants in restraint of trade”. Such terms are generally not acceptable as contrary to

## 12. Assignment

Give careful thought to this. It is not an alternative to a “Change of control” provision. This paragraph deals with what happens if one party wants to sell or transfer

Consider the circumstances on both sides which may require an assignment. This paragraph provides a deterrent

We give you these options:

12.1. Neither party may assign the contract

Action: use first option and del the remainder

12.2. Both parties may assign.

Action: delete all paragraph

12.3. Both

Action: leave first sub paragraph only.

12.4. You may assign but not other party.

Action: edit

12.5. A party may

Action: use second alternative and delete first.



### **13. Sale of business or change of Control**

The last paragraph on “assignment” does

In practice however, the personal element may be important to you or you may

Of course, it also

### **14. Termination**

The termination notice periods will reflect the difficulty to either or both parties

### **15. Consequences of termination**

We have no comment.

### **16. Miscellaneous matters**

A number of special points. We have identified each of these as

### **Schedule 1 Marketing plan**

To be completed to provided the appropriate information.

### **Schedule 2 Commission rates**

To be completed to provided the appropriate information.

**Add other schedules if required**

**End of Notes**