**AGREEMENT BETWEEN A COMPANY AND AN ADVERTISING AGENCY**

 THIS AGREEMENT executed at……………..on this……………..day of20...between ELBEE Electric Manufacturing Co. Ltd., a company incorporated under Companies Act, 1956 and having its registered office at……………..hereinafter referred to as "the company" (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 ONE PART and M/s. ABBY Advertisers, a partnership firm registered under the Partnership Act, 1932 and having its registered office at ........ hereinafter referred to as "the advertising agency" (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

(1) The company is manufacturer of electrical gadgets like LCD TV, Colour T.V., washing machines, DVD/CD Player, Music system, MP3 Player etc. hereinafter referred to as "the said products" and desirous to engage the services of an advertising agency for the purpose of advertisement of their products in India and abroad.

(2) The advertising 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 AS FOLLOWS:

(1) The company appoints the advertising 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 advertising 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 advertising 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 advertising agency at its own office with the help of its employees, the company shall pay for the same at the market rates and settled between the parties. If the said works are got done through outside agencies, the company shall pay all expenses incurred by the advertising agency for getting the work done through outside agencies.

 

(4) The company shall pay to the advertising agency . ……………..per cent above the cost and other expenses incurred by the advertising agency in this behalf as its commission.

(5) The advertising 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 advertising agency shall undertake special advertisement campaign for the said new product in consultation with the company.

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

(8) The Advertising 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 Advertising 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 advertising agency will not infringe any copyright of any person/company while displaying or publishing any advertisement of the company.

(11) The Advertising 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 Advertising 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 Advertising Agency against any loss, claims, demands, actions, proceedings, losses, damages, costs, charges and expenses which may be made or brought or commenced against the Advertising 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. ……………..corers per year, and the company agrees and undertakes that it shall get the advertising of its products done through the Advertising 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 Advertising Agency commits a breach of any covenant 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 material in the possession of the Advertising Agency will be returned to the company forthwith and will not be used by the Advertising Agency for any other purpose or persons.

(16) The Advertising Agency shall submit 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 therefore. The commission payable to the Advertising 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 Advertising Agency.

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

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

(19) The company shall Endeavour 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 Indian Council of Arbitration, New Delhi 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 Signed and delivered by ELBEE Electric Manufacturing Co. Ltd.,

1 the within named company through its

 Managing Director Shri ......................

2. Signed and delivered by M/s. ABBY Advertisers, the within named advertising agency by its Managing Partner Shri ..........................