

20-Distributor Agreement: Sets terms for distribution of products.

Distributor Agreement

Effective Date: [Date]

Between:

Supplier: [Supplier's Name], located at [Supplier's Address].

Distributor: [Distributor's Name], located at [Distributor's Address].

1. Appointment

- **1.1** The Supplier hereby appoints the Distributor as its [exclusive/non-exclusive] distributor for the sale and distribution of the Supplier's products ("Products") within the territory defined below.
- **1.2** The Distributor accepts the appointment and agrees to promote and sell the Products under the terms of this Agreement.

2. Territory

- **2.1** The Distributor is authorized to sell and distribute the Products in the following geographical area ("Territory"):
 - [Specify Territory]

3. Products

- **3.1** The Products covered by this Agreement are:
 - [List of Products]
- **3.2** The Supplier may modify the list of Products upon [Number] days' written notice to the Distributor.

4. Term

- **4.1** This Agreement shall commence on the Effective Date and continue for a period of [Number] years, unless terminated earlier in accordance with Section 14.
- **4.2** The Agreement may be renewed upon mutual written consent of both parties.

5. Distributor's Obligations

The Distributor agrees to:

- **5.1** Use its best efforts to promote, market, and sell the Products within the Territory.

- **5.2** Maintain adequate inventory levels to meet customer demand promptly.
- **5.3** Provide prompt and efficient customer service and support.
- **5.4** Comply with all applicable laws, regulations, and industry standards.
- **5.5** Not engage in any deceptive, misleading, or unethical practices.
- **5.6** Provide regular sales reports and market feedback to the Supplier.

6. Supplier's Obligations

The Supplier agrees to:

- **6.1** Supply the Products to the Distributor in accordance with orders placed under this Agreement.
- **6.2** Provide the Distributor with necessary marketing materials, product information, and training.
- **6.3** Ensure that the Products meet all applicable safety and quality standards.
- **6.4** Provide reasonable technical support and assistance.

7. Prices and Payment Terms

- **7.1** The Distributor shall purchase Products from the Supplier at the prices specified in the Supplier's price list, which may be updated from time to time with [Number] days' notice.
- **7.2** Payment terms are as follows:
 - **a.** Payment is due within [Number] days from the date of invoice.
 - **b.** Late payments shall incur interest at [Interest Rate]% per annum.
- **7.3** All prices are [inclusive/exclusive] of taxes, duties, and shipping costs.

8. Minimum Purchase Requirements

- **8.1** The Distributor agrees to purchase a minimum quantity of Products as follows:
 - [Specify minimum quantities or sales targets]
- **8.2** Failure to meet the minimum purchase requirements may result in termination or alteration of distribution rights.

9. Exclusivity

- **[Option A] 9.1** The Distributor shall have **exclusive** rights to distribute the Products within the Territory.
- **[Option B] 9.1** The Distributor shall have **non-exclusive** rights to distribute the Products within the Territory.
- **9.2** The Supplier shall not appoint other distributors or sell the Products directly within the Territory [if exclusive].

10. Intellectual Property

- **10.1** The Supplier retains all rights, title, and interest in its trademarks, trade names, logos, and other intellectual property ("IP").
- **10.2** The Supplier grants the Distributor a non-exclusive, non-transferable, revocable license to use the IP solely for the purpose of marketing and selling the Products within the Territory.
- **10.3** The Distributor shall not modify or alter the IP without the Supplier's prior written consent.

11. Confidentiality

- **11.1** Both parties agree to keep confidential any proprietary or confidential information disclosed during the term of this Agreement.
- **11.2** Confidential information includes, but is not limited to, business plans, customer lists, pricing, and product specifications.
- **11.3** This obligation shall survive the termination of this Agreement for a period of [Number] years.

12. Warranties and Liability

- **12.1** The Supplier warrants that the Products are free from defects in material and workmanship under normal use.
- **12.2** The Distributor shall promptly notify the Supplier of any defects or warranty claims.
- **12.3** The Supplier's liability is limited to the replacement of defective Products or refund of the purchase price.
- **12.4** Neither party shall be liable for any indirect, incidental, or consequential damages arising out of this Agreement.

13. Compliance with Laws

- **13.1** Both parties agree to comply with all applicable federal, state, and local laws and regulations in the performance of their obligations under this Agreement.
- **13.2** The Distributor shall not engage in any activities that would cause the Supplier to violate any laws or regulations.

14. Termination

- **14.1** This Agreement may be terminated:
 - **a.** By either party upon [Number] days' written notice to the other party.
 - **b.** Immediately by either party if the other party breaches any material term of this Agreement and fails to cure such breach within [Number] days after receiving written notice.
 - **c.** If either party becomes insolvent, files for bankruptcy, or ceases business operations.
- **14.2** Termination shall not relieve either party of obligations incurred prior to the termination date.

15. Effects of Termination

Upon termination of this Agreement:

- **15.1** The Distributor shall cease representing itself as an authorized distributor of the Products.
- **15.2** The Distributor shall return or dispose of any remaining inventory as directed by the Supplier.
- **15.3** All sums owed by either party shall become immediately due and payable.
- **15.4** Sections regarding confidentiality, intellectual property, and indemnification shall survive termination.

16. Force Majeure

- **16.1** Neither party shall be liable for delays or failure to perform due to causes beyond their reasonable control, including natural disasters, acts of war, terrorism, labor disputes, or governmental actions.
- **16.2** The affected party shall notify the other party promptly and make reasonable efforts to mitigate the effects.

17. Governing Law and Dispute Resolution

- **17.1** This Agreement shall be governed by and construed in accordance with the laws of [State/Country], without regard to its conflict of law principles.
- **17.2** Any disputes arising under this Agreement shall be resolved through [mediation/arbitration/litigation] in the jurisdiction of [State/Country].
- **17.3** The prevailing party in any dispute shall be entitled to recover reasonable attorney's fees and costs.

18. Notices

- **18.1** All notices required or permitted under this Agreement shall be in writing and delivered to the parties at their respective addresses provided above.
- **18.2** Notices shall be deemed received:
 - **a.** When delivered personally.
 - **b.** Three (3) days after being sent by certified or registered mail.
 - **c.** Upon confirmation of receipt if sent by email or fax.

19. Entire Agreement

- **19.1** This Agreement constitutes the entire understanding between the parties and supersedes all prior negotiations, representations, or agreements, whether written or oral.

20. Amendments

- **20.1** Any modifications or amendments to this Agreement must be made in writing and signed by both parties.

21. Severability

- **21.1** If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

22. Assignment

- **22.1** Neither party may assign or transfer any rights or obligations under this Agreement without the prior written consent of the other party.

IN WITNESS WHEREOF, the parties have executed this Distributor Agreement as of the Effective Date.

Supplier

Signature: _____

Name: [Supplier's Name]

Title: [Title]

Date: _____

Distributor

Signature: _____

Name: [Distributor's Name]

Title: [Title]

Date: _____