

37-Manufacturing Agreement: Defines terms between a manufacturer and client.

Manufacturing Agreement

Effective Date: [Date]

Between:

Manufacturer: [Manufacturer's Full Name or Company Name], located at [Manufacturer's Address].

Client: [Client's Full Name or Company Name], located at [Client's Address].

1. Scope of Work

- **1.1 Product Description:** The Manufacturer agrees to manufacture the following products ("Products") for the Client in accordance with the specifications outlined in Exhibit A (attached).
 - Product Name: [Product Name]
 - Product Specifications: [Detailed description of the product specifications, including materials, design, dimensions, etc.]
- **1.2 Changes in Specifications:** Any changes to the specifications must be agreed upon in writing by both parties. Such changes may result in adjustments to the pricing or delivery schedule.

2. Orders and Forecasting

- **2.1 Purchase Orders:** The Client shall submit purchase orders for the Products, specifying the quantity, desired delivery dates, and shipping instructions. Purchase orders must be submitted at least [Number] days prior to the desired delivery date.
- **2.2 Forecasting:** The Client shall provide a rolling [Monthly/Quarterly] forecast of expected product demand to assist the Manufacturer in planning production.

3. Pricing and Payment Terms

- **3.1 Price:** The Client agrees to pay the Manufacturer the price of **[Amount] USD** per unit of the Products. Prices are outlined in Exhibit B (attached).
- **3.2 Price Adjustments:** The price of the Products may be adjusted due to changes in material costs, labor costs, or other factors. Any price adjustment must be agreed upon in writing by both parties.
- **3.3 Payment Terms:** The Client agrees to pay the Manufacturer within [Number] days of receipt of the Manufacturer's invoice.

- **3.4 Late Payments:** Any payments not made within the agreed timeframe will incur interest at a rate of [Interest Rate]% per annum.

4. Delivery and Shipping

- **4.1 Delivery Schedule:** The Manufacturer agrees to deliver the Products to the Client by the delivery dates specified in each purchase order.
- **4.2 Shipping Terms:** Delivery shall be made [Shipping Term, e.g., FOB, CIF] and the Client shall be responsible for [Shipping Method or which party covers the shipping costs and risks during transit].
- **4.3 Risk of Loss:** Risk of loss or damage to the Products shall pass to the Client upon delivery to the shipping carrier or at the point specified in the shipping terms.

5. Quality Control and Inspection

- **5.1 Quality Standards:** The Manufacturer warrants that the Products will be manufactured in accordance with the quality standards set forth in Exhibit C (attached).
- **5.2 Inspection:** The Client shall have the right to inspect the Products upon delivery and shall notify the Manufacturer of any defects or non-conformities within [Number] days. Failure to notify within this period constitutes acceptance of the Products.
- **5.3 Rejection of Defective Products:** If the Products do not meet the agreed specifications or quality standards, the Client may reject the Products and request a replacement, repair, or refund at the Manufacturer's expense.

6. Intellectual Property

- **6.1 Ownership of Intellectual Property:** The Client retains ownership of all intellectual property rights, including patents, trademarks, copyrights, and trade secrets related to the Products and their design.
- **6.2 License to Manufacturer:** The Client grants the Manufacturer a limited, non-exclusive license to use the Client's intellectual property solely for the purpose of manufacturing the Products under this Agreement.
- **6.3 Confidentiality:** The Manufacturer agrees to keep confidential any proprietary information disclosed by the Client, including product designs, materials, and manufacturing processes, and shall not use such information for any purpose other than manufacturing the Products under this Agreement.

7. Warranties and Indemnification

- **7.1 Manufacturer's Warranties:** The Manufacturer warrants that the Products will:
 - a. Conform to the specifications provided by the Client.
 - b. Be free from defects in materials and workmanship.
 - c. Comply with all applicable laws and regulations.
- **7.2 Indemnification:** The Manufacturer agrees to indemnify and hold harmless the Client from any claims, damages, or liabilities arising out of the Manufacturer's breach of this Agreement or failure to comply with applicable laws.

8. Term and Termination

- **8.1 Term:** This Agreement shall commence on the Effective Date and continue for a period of [Number] months/years unless terminated earlier in accordance with the terms of this Agreement.
- **8.2 Termination for Convenience:** Either party may terminate this Agreement at any time with [Number] days' written notice to the other party.
- **8.3 Termination for Cause:** Either party may terminate this Agreement for material breach by the other party, provided the breaching party fails to cure such breach within [Number] days after receiving written notice of the breach.
- **8.4 Effect of Termination:** Upon termination, the Manufacturer shall cease production and the Client shall pay for all Products produced and delivered up to the termination date.

9. Force Majeure

- **9.1** Neither party shall be liable for delays or failure to perform due to events beyond their reasonable control, including acts of nature, labor disputes, government regulations, or natural disasters.
- **9.2** The affected party shall notify the other party in writing as soon as practicable and make reasonable efforts to resume performance.

10. Governing Law and Dispute Resolution

- **10.1 Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of [State], without regard to its conflict of law principles.
- **10.2 Dispute Resolution:** Any disputes arising under or related to this Agreement shall first be submitted to mediation. If mediation is unsuccessful, the dispute shall be resolved through binding arbitration in accordance with the rules of [Arbitration Organization] in [Jurisdiction].

11. Notices

- **11.1** Any notices required or permitted under this Agreement shall be in writing and delivered to the parties at their respective addresses provided above, either personally, by certified mail, or by email to [Email Addresses].

12. Entire Agreement

- **12.1** This Agreement, including all exhibits and attachments, constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements or understandings, whether written or oral.

13. Amendments

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

14. Severability

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

15. Counterparts and Electronic Signatures

- **15.1** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.
- **15.2** Signatures transmitted electronically or by facsimile shall be deemed valid execution of this Agreement.

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

Manufacturer

Signature: _____

Name: [Manufacturer's Full Name]

Title: [Title]

Date: _____

Client

Signature: _____

Name: [Client's Full Name]

Title: [Title]

Date: _____

Disclaimer: This template is provided for informational purposes only and does not constitute legal advice. Manufacturing agreements can involve significant legal and financial obligations, and it is recommended to consult a qualified attorney to ensure that any agreement meets all legal requirements and addresses the specific needs of both parties.