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DISTRIBUTION AGREEMENT

THIS AGREEMENT is made on the *[insert day]* day of *[insert month]* *[insert year]*

BETWEEN:

[Insert name and address of the organisation appointing the distributor], ("the Principal")

AND

[Insert name and address of the organisation distributing the product], ("the Distributor")

WHEREBY IT IS AGREED as follows:

1. Definitions

1.1 "Products" shall mean those products listed in Schedule 1.

1.2 "Territory" shall mean those areas listed in Schedule 2.

1.3 "Trade Mark" shall mean those trade marks and trade names listed in Schedule 3.

2. Terms of Distribution

2.1 The Principal hereby grants the Distributor *[Please select - exclusive / non-exclusive]* licence to distribute and sell in the Territory the Products under the Principal's Trade Mark during the continuance of this Agreement.

2.2 The Distributor shall purchase all their requirements for the Products ready-packaged from the Principal (or any other authorised distributor or retailer).

2.3 The price for the sale of the Products by the Distributor in the Territory shall be set by the Distributor who may revise such prices from time to time

2.4 Nothing in the Agreement shall create a partnership or joint venture between the parties.

2.5 This Agreement or any rights duties and obligations hereunder shall not be assigned or transferred by either party without the prior consent in writing of the other party.

3. Contract Period

This Agreement shall remain in force for the period of [*Specify period of agreement, e.g. 12 months*] from the date of signature by the parties and thereafter unless or until terminated by either party giving the other not less than [*Specify period of notice prior to termination, e.g. 1-3 months*] prior notice in writing, such notice to expire at the end of said period of the Agreement or any time thereafter.

4. Responsibilities of Distributor

4.1 The Distributor shall during the continuance of this Agreement diligently and faithfully serve the Principal as their Distributor in the Territory and use their best endeavours to improve the goodwill of the Principal in the Territory.

4.2 The Principal warrants that he has good title to the Products supplied to the Distributor and that where such Products supplied are defective the Principal will replace these at no cost to the Distributor.

4.3 The Principal reserves the right to improve or modify the Products without prior notice but shall notify the Distributor of any modifications which affect the form or function of the Products or any permissions consents or licences obtained by the Distributor. The Distributor shall in such circumstances have the right to vary or cancel any orders placed for the Products prior to the receipt of such notification. The Distributor must notify the Principal of such cancellation within [*Specify period of notice for cancellation, e.g. 30 days*].

4.4 The Distributor shall not be entitled to cancel any orders, which can be met by the supply of Products not incorporating the improvements or modifications aforementioned. No compensation or damages for breach of contract shall be payable to the Distributor by reason of such improvement or modification.

4.5 The Distributor undertakes not to alter, modify, treat or deal with the Products contrary to their supply by the Principal except with the Principal's prior written consent.

4.6 The Distributor shall at all times during the continuance of this Agreement carry at least [*Specify amount of stock, e.g. one months stock*] stock of the Products to enable the Distributor to meet any orders received without undue delay. The

Distributor shall supply reports every [*Specify frequency of reports, e.g. every month or quarter*] to the Principal as to stock levels and movements of the Products.

4.7 The Distributor shall at all times during the continuance of this Agreement maintain sufficient staff to sell, distribute, market and promote the sale of the Products throughout the Territory.

Sample document – the remaining are clause headings only
Full document contains all clauses

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5. Intellectual Property

6. Confidentiality

7. Data Protection

8. Anti-Bribery Compliance

9. Force Majeure

10. Termination

11. Notices

12. General

13. Jurisdiction

IN WITNESS of which the parties have signed this Agreement the day, month and year first above written.

[Insert principal name]

[Insert name or person signing on principal's behalf]

[Insert their position]

Signature: _____

[Insert distributor name]

[Insert name or person signing on distributor's behalf]

[Insert their position]

Signature: _____

Schedule 1

Products

The Distributor will market, promote and canvass for sales for the following products:
[Provide a full list of products]

Schedule 2

Territory

The geographical area of the customer base of the Distributor will be:
[Insert territory, e.g. UK, Europe, US or Worldwide]

Schedule 3

Sales Targets

The Distributor will meet the following minimum sales targets for the territory, averaging sales of *[Insert either number of units or total value of sales during stated period]* per month.

Schedule 4

Trade Marks

Product trade marks licensed to the Distributor by the Principal:
[Provide a full list of trademarks]

Schedule 5

Buy-Back of Products on Termination

The Principal will buy-back the following product(s) from the Distributor on the termination of this agreement:

[Provide a full list of products that the principal will buy back from the distributor on termination of the agreement]

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