Distribution kit 1

Save money with our Distribution Kit 1!

Our Kit 1 contains everything you will need for your distribution business.

- Distribution Agreement Version 1
- Confidentiality Agreement
- Arbitration & Procedure Clause
- Distribution Negotiation Checklist

Have a look at the following excerpts.

DISTRIBUTION AGREEMENT VERSION 1

TABLE OF CONTENTS

IDENTIFICATION

RECITALS

OBJECTS

·Products and Territory
·Clientele
·Prices and Payment
·Other Obligations of Distributor
·Manufacturer's Obligations
·Relationship of the Parties
·Best Efforts
·Reporting
·Field Assistance
·Trademarks, Service Marks and Trade Names; Promotion on Internet
·Covenant Not To Compete
·Limited Warranty
·Limitations on Liability
·Indemnifications
·Termination
·Publicity

MISCELLANEOUS

- ·Modification
- ·Assignment
- ·Notice
- ·Waiver
- ·Validity
- ·Construction of Agreement and Resolution of Disputes
- ·Manufacturer Marketing Office in the Territory
- ·Confidentiality Maintained
- ·Entire Agreement
- ·No Rights by Implication
- ·Responsibility for Taxes
- ·Modification of Products
- ·Force Majeure
- ·Severability
- ·Counterparts
- ·Definition of Affiliates
- ·Attached Exhibit(s)

ACKNOWLEDGEMENTS

EXHIBIT A - PRICE LIST

EXHIBIT B - DESCRIPTION OF THE TERRITORY

EXHIBIT C - MANUFACTURER'S WARRANTIES

DISTRIBUTOR AGREEMENT – TANGIBLE PRODUCTS VERSION 1

DRAFT

BETWEEN	AND
Company Name:	Distributor's Name:
Officer's Name:	Officer's Name:
Address:	Address:
Phone:	Phone:
Fax:	Fax:
Email:	Email:
Web Address:	Web Address:
hereinafter referred to as the "Manufacturer")	(hereinafter referred to as the "Distributor")

(the Manufacturer and the Distributor hereinafter collectively referred to as the "Parties")

This agreement establishes an understanding between the parties and as such both parties agree to be bound by its Terms and Conditions. This agreement shall not become binding upon the parties until it has been signed by an authorized representative of the Parties and signed and accepted by authorized officers.

RECITALS :

WHEREAS the Manufacturer desires that the Distributor provides him with the services set forth in this Agreement;

WHEREAS the Distributor wishes to provide these services for good and valuable consideration;

WHEREAS the Parties wish to confirm their agreement in writing;

WHEREAS the Parties are duly authorized and have the capacity to enter into and execute this Agreement;

NOW THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Recital

The recitals are an integral part of this Agreement. In the event of a conflict in the provisions of any attachments hereto and the provisions set forth in this Agreement, the provisions of such attachments shall govern.

1. Products and Territory.

(a) Manufacturer hereby appoints Distributor on a non-exclusive basis Distributor for the sale of the following products during the term of this Agreement (hereinafter referred to as the "Products"):

[Describe products here]

(b) Distributor shall not, without the prior written consent of Manufacturer, sell, market or distribute any version of any Product other than the version Manufacturer shall designate from time to time as its most current version.

(c) Distributor shall use its best efforts to promote and sell the Products to the maximum number of responsible customers in the Territory; provided, however, that nothing in this Agreement shall be interpret to give Distributor any rights whatsoever with respect to sales to any other nation

(d) Manufacturer is appointing Distributor hereunder with respect to the resale of Products to any purchasers whose principal place of business is located in the following described territory (the "Territory"):

(e) Distributor shall not solicit orders from any prospective purchaser with its principal place of business located outside the Territory. If Distributor receives any order from a prospective purchaser whose principal place of business is located outside the Territory, Distributor shall immediately refer that order to Manufacturer. Distributor shall not accept any such orders. Distributor may not deliver or tender (or cause to be delivered or tendered) any Product outside of the Territory. Distributor shall not sell any Products to a purchaser if Distributor knows or has reason to believe that such purchaser intends to remove those Products from the Territory.

(f) Manufacturer reserves the right, in its sole discretion, at any time upon thirty (30) days' prior written notice to Distributor, to expand or reduce in any manner the Products which are covered by this Agreement. Manufacturer also reserves the right, in its sole discretion, at any time upon thirty (30) days' prior written notice to Distributor, to expand or reduce in any manner the Territory, as defined in this Agreement.

(g) Manufacturer may delete any Product from this Agreement after one-hundred-twenty sixty (120) days prior written notice to Distributor if Manufacturer is discontinuing the manufacture of such Product. Manufacturer may modify or

improve any Product upon giving Distributor thirty (30) days prior written notice of such modification or improvement.

2. Clientele

All clients that have bought product through Distributor belong exclusively to Distributor All subsequent purchase of Manufacturer's Products by these identified clients have to be processed only through Distributor.

Given the termination of the Agreement, a commission of twenty percent (20%) on net price on all products sold to these clients will be paid by Manufacturer to Distributor for three (3) years after termination date.

Manufacturer will open sales logs to Distributor's appointed verificator upon request two (2) times a year during the duration of this agreement and one (1) time a year following the termination of this agreement for three (3) years the termination of this agreement.

3. Prices and Payment.

(a) On the Effective Date, Distributor shall provide to Manufacturer a forecast for the next three [3] calendar months of Distributor's anticipated requirements of the Products and indicating the desired delivery dates. Distributor shall update this forecast on a rolling basis within ten (10) days after the beginning of each new calendar [month OR quarter]. Distributor shall not be required to place firm orders of the quantities of Products which it has forecasted.

(b) Distributor shall order Products from Manufacturer by submitting a written purchase order identifying the Products ordered, requested delivery date(s) and any export/import information required to enable Manufacturer to fill the order. All orders for Products are subject to acceptance by [TITLE OF PERSON] at [MANUFACTURER'S ADDRESS, MANUFACTURER'S HOME CITY].

(c) Manufacturer shall accept Distributor's orders, so long as such orders do not exceed _Three Hundred percent (300%) of the quantities of Products forecasted by Distributor; provided, however, that Manufacturer shall have no liability for rejecting any purchase order for Products which exceed such quantities or which require any modifications or additions in order to meet the specifications of Distributor or its customers.

(d) If a purchase order is accepted in accordance with Section 2(b) above, the prices for Products covered by such purchase order shall be Manufacturer's net Distributor prices F.O.B.. [CITY OF DISPATCH], [STATE OR PROVINCE], [COUNTRY] which are in effect on the date of Manufacturer's acceptance. Manufacturer may from time to time change those prices, such change being effective immediately upon Distributor's receipt of notice thereof; provided,

MUTUAL NON-DISCLOSURE AND NON-CIRCUMVENTION AGREEMENT

TABLE OF CONTENTS

Identification

Purpose

Definition

Non-Disclosure Of Confidential Information

Non-Circumvention

Breach Of Agreement

Return Of Materials

No License

Term

Miscellaneous

Governing Law

Enforcement

Severability

Notices

Complete Agreement

Headings

Signature

Mutual Non-Disclosure and Non-Circumvention Agreement

This Mutual Non-Disclosure and Non-Circumvention Agreement ("Agreement") is made and entered into as of the ____ day of_____200_ by and between:

Company Name:	Company Name:
Officer's Name:	Officer's Name:
Address:	Address:
(having its principal place of business at)	(having its principal place of business at)
Phone:	Phone:
Fax:	Fax:
Email:	Email:
Web Address:	Web Address:
(hereinafter referred to as the "First Party")	(hereinafter referred to as the "Second Party")

(hereinafter collectively referred to as the "Parties")

This agreement establishes an understanding between the parties and as such both parties agree to be bound by its Terms and Conditions. This agreement shall not become binding upon the parties until it has been signed by an authorized representative of the Parties and signed and accepted by authorized officers.

W I T N E S S E T H:

1. Purpose. The First Party and Second Party wish to explore a business opportunity of mutual interest concerning each Party's business, operations, proprietary technology, and products. In connection with this opportunity certain trade secrets and business information proprietary to each Party and which each Party considers Confidential Information (as defined below) may be provided to one Party (the "Promisor") by the other party (the "Discloser"). This Agreement is intended to allow both Parties to have open discussions regarding Confidential Information, while still affording complete protection of the Discloser's confidential Information against disclosure or unauthorized use. Written agreements regarding authorized disclosures or use of the

Discloser's Confidential Information may, but need not, be entered into between the Parties in the future.

2. Definition. "Confidential Information" means any disclosure of proprietary information relating to:

   i. the Discloser's proprietary technology and products, including without limitation, technical data, trade secrets, know-how, research, product plans, ideas or concepts, products, services software, inventions, algorithms, formulas, technology, designs, schematics, drawings, engineering, and hardware configuration information (collectively "Technical Information"), and
   ii. proprietary information relating to the discloser's operations and business or financial plans or strategies, including but not limited to customers, customer lists, vendors, suppliers, markets, financial statements and projections, product pricing and marketing, financial or other strategic business plans or information (collectively, "Business Information"),disclosed to Promisor by the Discloser, either directly or indirectly, in writing, orally or by drawings or inspection of samples, equipment or facilities.

   Confidential Information does not include any of the foregoing items which:

   i. is known to Promisor at the time of the disclosure to Promisor by the Discloser as evidenced by written records of Promisor,
   ii. has become publicly known and made generally availablethrough no wrongful act of Promisor, or
   iii. has been rightfully received by Promisor from a third party who is authorized to make such disclosures.

3. Non-Disclosure of Confidential Information. Promisor agrees not use any Confidential Information disclosed to it by the Discloser for its own purpose except to carry out discussions concerning, and the undertaking of, any business relationship

between Promisor and the Discloser. Promisor will not disclose any Confidential Information of the Discloser to third parties or to employees of Promisor except to its employees who are required to have the information in order to carry out the discussions of the contemplated business. Promisor will have or has had its employees, contractors or agents who have access to Confidential Information of the Discloser sign a non-disclosure agreement in content substantially similar to this Agreement and will promptly notify the Discloser in writing of the names of each such employee upon the request of the Discloser at any time. Promisor agrees that it will take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information of the Discloser in order to prevent it from falling into the public domain or the possession of persons other than those persons authorized hereunder to have any such Confidential Information, which measures shall include the highest degree of care that Promisor utilizes to protect its own Confidential Information of a similar nature, but in any event not less than a reasonable degree of care. Promisor agrees to notify the Discloser promptly in writing of any misuse or misappropriation of Confidential Information of the Discloser which may come to the Promisor's attention.

4. Non-Circumvention. In consideration of the Owner's disclosure of the Confidential Information, the Promisor shall not at any time prior to the date immediately preceding the fifth anniversary date of this Agreement, attempt in any manner to commercially exploit, either directly or indirectly, the proposed and existing business concepts and plans of the Owner or any of the Confidential Information without the Owner's prior written consent, that may be given or withheld by the Owner in its sole discretion. The parties specifically understand and agree that this prohibition is specifically intended to include any direct or indirect contact by First Party (or any other related or unrelated person or entity) with Second Party's then current Internet access network carrier(s), payment processor(s) or financial institution(s).

5. Breach of Agreement. Each party hereby acknowledges and agrees that in the event of any breach of this Agreement by the other party, including, without limitations, the actual or threatened disclosure of a disclosing party's Proprietary Information without

Distribution Agreement: A Checklist of Negotiation Key Issues

1. **Details about the Distributor**

   - ❑ Name:
   - ❑ Address:
   - ❑ Telephone No:
   - ❑ Fax No:
   - ❑ Email:
   - ❑ Web site address:
   - ❑ Name of Principal:
   - ❑ Title?

2. **The Products**

   - ❑ Describe the Products in as much details as possible.

3. **Distributorship territory**

   - ❑ What is the territory?

4. **Is the distribution license exclusive**

5. **Exactly what are the Manufacturer's obligations**

   - ❑ Technical support: What type and how much.
   - ❑ Supply of any raw materials and/or components.
   - ❑ Marketing support. What type and how much.
   - ❑ Other?

6. **Exactly what are the Distributors obligations**

   - ❑ Marketing and promotion.
   - ❑ Distribution.
   - ❑ Other obligations.

7. **Term of agreement**

   - ❑ Initial term. [e.g. three (3) years]
   - ❑ Renewal options: on same or different terms and conditions.
   - ❑ What are the parties' rights and obligations upon termination: Can the Distributor continue to sell unsold stock of Products after the termination date?

8. **Minimum requirements to maintain distributorship**

   Establish minimum sales during the term of the agreement: Failure to meet those minimums shall give rise to termination at Manufacturer's option.

9. Promotion

- Describe the Distributor's obligations to promote the Products: Will the Distributor be required to commit to spend a certain sum, expressed as a percentage of sales, to promote the Products?

10. Payment terms

- Will money be paid up front by way of an establishment fee.
- Margins: Fixed or variable depending upon turnover.
- Any other form of compensation.
- Frequency of payment.
- Manner of payment.

11. Will the Distributor be using any of the Manufacturer's patents

- Include clauses relating to incontestability, action against infringers, etc.

12. Will the Distributor be using any of the Manufacturer's trademarks

- Include clauses relating to incontestability, action against infringers, etc.

13. Support

- Describe the Manufacturer's obligations to provide:
    1. Documentation to facilitate distributorship (i.e. Drawings and specifications, manuals, instructions, quality control procedures, etc.)
    2. Technical support.
    3. Training of distributor's employees
    4. Marketing support.
    5. Quality control guidance.
- Indicate what support will be supplied on-site and what support will be provided off-site : Who bears the cost of on-site support?

14. Manufacturing competitive products

- Can the Distributor handle products which are competitive to the Products.
- Set limitations.
- Define what constitutes a "competitive product".
- Establish a time limit: For example, during the term of the agreement and ___ years thereafter.
- Distributor shall not purchase the same or similar products from any other manufacturer but the Manufacturer, anywhere in the world.

15. Confidentiality and Non-Disclosure

ARBITRATION & PROCEDURES CLAUSE

TABLE OF CONTENTS

1 Exclusive Remedy

2 Place of Arbitration

3 Costs and Fees

4 Procedure

5 Injunctions and Other Equitable Relief

ARBITRATION & PROCEDURES CLAUSE.

1. **Exclusive Remedy.** After a [e.g., thirty (30)] day waiting period (the "Waiting Period"), any dispute, controversy, or claim arising out of or relating to this Agreement, or the formation, breach, termination or invalidity thereof, shall be settled by submission to final, binding and non-appealable arbitration ("Arbitration") in accordance with the Rules of the American Arbitration Association (the "Association"), as then in effect, except as varied or excluded by this Agreement, without any right by any party to a trial de novo in a court of competent jurisdiction. During the Waiting Period, the parties shall work diligently and in good faith and use their best efforts to amicably resolve the dispute.

2. **Place of Arbitration**. The Arbitration shall be conducted in [City], [State], by the Regional Office of the Association.

3. **Costs and Fees**. Each party shall, except as otherwise provided herein, be responsible for its own expenses, including legal fees, incurred in the course of any arbitration proceedings. The fees of the arbitrators shall be divided evenly between the parties.

4. **Procedure**. The parties shall follow the procedures described below:

   (a) Following the Waiting Period, the party seeking Arbitration (the "Demanding Party") shall give notice of a demand to arbitrate (herein referred to as the "Demand") to the other party (the "Non-Demanding Party") and to the Association. The Demand shall include (A) a statement of the nature of the dispute, (B) copies (if any) of all supporting documentation in the possession of the Demanding Party, (C) a copy of this Section, and (D) the name of the arbitrator selected by the Demanding Party.