

AU-MADdis01

## **Distribution agreement: sale of goods, full version, merchant side**

**Dated:** [\[date\]](#)

# Contents

1. Definitions
  2. Interpretation
  3. Relationship of parties
  4. Entire agreement
  5. Appointment of distributor
  6. Obligations of the distributor
  7. Obligations of the merchant
  8. Compliance and regulation
  9. Products recall
  10. Minimum sale requirements
  11. Distributor's marketing obligations
  12. Distributor's liaison and reports
  13. The Price
  14. Orders and acceptance
  15. Delivery
  16. Transportation
  17. Payment terms
  18. Payment on running credit account
  19. Payment by letter of credit
  20. Risk and retention of title
  21. Products defective or not as ordered
  22. Warranty and service policy
  23. Disclaimers and limitation of liability
  24. Mutual indemnities
  25. Assignment
  26. Sale of business or change of Control
  27. Confidential information
  28. Intellectual property
  29. Duration and termination
  30. Upon termination
  31. Miscellaneous matters
- 
- |            |   |
|------------|---|
| Schedule 1 | Products and Prices                         |
| Schedule 2 | Description of after sales service required |
| Schedule 3 | Minimum sale requirements                   |
| Schedule 4 | Training scheme                             |
| Schedule 5 | After sales service                         |
| Schedule 6 | Batch Payment                               |

**This agreement is dated:** [date]

**It is made between:** [the Merchant name]

Of [address] (“the Merchant”)

**And** [Distributor's name]

Of [address] (“the Distributor”).

**These are the agreed terms:**

## 1. Definitions

These definitions apply unless the context ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ :

[illegible]

information about staff and their personal contact information,

data or information relating to product plans, marketing strategies, finance, operations, customer relationships, customer profiles, sales estimates, business plans, and internal performance ■■■■■■■■■■■■■■■■■■■■■■, ■■■■■■■■■■■■■■■■■■■■■■, ■■■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■;

It includes information about the Intellectual Property and ■ ■ ■ ■ ■ ■ ■ ■ - ■ ■ ■ ■ .

"Control" (including all derived terms), means, with respect to the relationship between two or more corporate bodies, the possession, directly or indirectly, of the power to direct the affairs or



- [illegible]

- [illegible]

### 3. Relationship of parties

- [illegible]

#### 4. Entire agreement

- 4.1. This agreement contains the entire agreement between the parties and supersedes all .
- 4.2. Each party acknowledges that, in entering into this agreement, it does not rely on any representation, warranty, information .
- 4.3. As an exception to the last previous sub paragraphs, the parties do rely :

[Enter list of other docs and dates ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■]

## 5. Appointment of Distributor

- [illegible]

## 6. Obligations of the Distributor

The Distributor agrees that it will ■■■■■■:

- [illegible]





7.2.3 name the Distributor and its \_\_\_\_\_, \_\_\_\_\_  
\_\_\_\_\_;

7.2.4 provide to the Distributor \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_;

7.2.5 maintain warranty and post-warranty \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_  
\_\_\_\_\_.

[illegible][illegible]

- 9.2. As far as possible a party suggesting a recall shall [REDACTED]  
[REDACTED]  
[REDACTED], [REDACTED], [REDACTED]  
[REDACTED].
- 9.3. The cost of the recall, including sales refunds [REDACTED]  
[REDACTED], [REDACTED]  
[REDACTED], [REDACTED].
- 9.4. The Distributor shall send to the Merchant copies, in the language in  
which they were generated, of all reports, data and correspondence  
with [REDACTED]  
[REDACTED], [REDACTED], [REDACTED]  
[REDACTED]  
[REDACTED]. [REDACTED]  
[REDACTED], [REDACTED],  
[REDACTED].

## 10. Minimum sale requirements

The Merchant shall be entitled to terminate this agreement if \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_.

Year	Total value
------	-------------

20XX

20XX

20XX

OR

[illegible]

## 11. Distributor's marketing obligations

- 11.1. The Distributor agrees \_\_\_\_\_  
 \_\_\_\_\_ :
- 11.1.1 sell any other \_\_\_\_\_  
 \_\_\_\_\_ :





13.6. The maximum amount of [ ]

## 14. Orders and acceptance

14.1. The Merchant reserves the right to reject any order or to cancel any order [ ]

14.2. If it rejects an order, or cancels [ ]

14.3. Nothing said or done by the Merchant is an acceptance of an order [ ]

OR

14.4. Nothing said or done by the Merchant [ ]

## 15. Delivery

15.1. Prices are "ex works" [ ]

15.2. If the Distributor asks the Merchant to arrange transport and insurance and the Merchant does [ ]

15.3. The Merchant will use its best endeavours to supply the [ ]

15.4. The Merchant may from time to time change any [ ]

[illegible]

[There are many ways and alternative deals possible.

.

,

].

16.1.1 EXW [named ■■■■ , ■■■■■■■■■■■■] ■■■■®  
2020 .

16.1.3 CPT [named ■■■■ , ■■■■■■■■■■■■■■■■] ■■■■® 2020

16.1.5 DPU [named ■■■■ , ■■■■■■■■■■■■■■■■■] ■■■■ ® 2020

.

16.1.7 DDP[named ■■■■ , ■■■■■■■■■■■■■■■■■■■■■] ■■■■ ® 2020

■

5

■

•

1

1

## 17. Payment terms

1

OR

1

1

1

1

OR

1

17.5. All sums due under this agreement:

- 17.5.1 shall be made in full, without any set-  
 .
- 17.5.2 shall be paid by the due date, failing which the Merchant may  
 charge the [ 8  
 ]%  
 ;
- 17.5.3 Payments will be made by the Distributor in Australian dollars  
 by direct /  
 [  
 ].
- 17.5.4 shall be paid in  
 [ ].

OR

- 17.5.5 [specify method of payment and due date]
- 17.6. On request, the Merchant will supply  
 .
- 17.7. If any applicable law requires any tax or charge to be deducted before  
 payment,  
 [ ]  
 .
- 17.8. Any sum due under this agreement not expressed in Australian dollars  
 shall be  
 .
- 17.9. Banking charges by the receiving bank on payments to the Merchant  
 .
- 17.10. The parties shall collaborate  
 .





- 19.4. The letter of credit shall be payable [30] [ ]].
- 19.5. Each letter of credit shall remain open for at 30 .
- 19.6. The terms of the letter of credit may be specified , .
- 19.7. Where there is an error on the letter or credit, or for whatever reason the Merchant's , .

## 20. Risk and retention of title

- 20.1. Ownership of the Products shall not pass to the Distributor until it has , .
- 20.2. In spite of delivery having , :
- 20.2.1 the Distributor ;
- 20.2.2 no other sums .
- 20.3. Until property in the Products passes to , .
- 20.4. The Distributor must store the Products (at no cost to the ) .

- [illegible]

## 21. Products defective or not as ordered

[illegible]

21.1.1 comply with their description on the order; and

21.1.2 are of satisfactory ■■■■■■■■■■ / ■■■■■■■■■■ ■■■■■■■■■■  
■■■■■■■■■;

[illegible]

21.3. If the Distributor finds any defect in the quality or quantity of the Products, or a failure to comply with \_\_\_\_\_ , \_\_\_\_\_ . \_\_\_\_\_ [ 7 ] \_\_\_\_\_ , \_\_\_\_\_ .

[illegible][illegible][illegible][illegible]

21.6.2 the defect results only from faulty design;

[illegible][illegible]





## 24. Mutual Indemnities

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

## 25. Assignment

[illegible][illegible]

## 26. Sale of business or change of Control

[illegible][illegible][illegible]

26.4. The Distributor agrees that this provision is fair.



## 27. Confidential Information

[illegible][illegible][illegible][illegible][illegible][illegible][illegible]

27.2. This paragraph does not apply to disclosure:

27.2.1 made by order of the court;

[illegible]

**27.2.3**







[illegible][illegible][illegible][illegible][illegible]

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[illegible][illegible][illegible][illegible][illegible]

© Andrew Taylor and Net Lawman Ltd

For, and on behalf of [\[name\]](#)

print name

Witness to signature:

name:

Address

For, and on behalf of [\[name\]](#)

print name

Witness to signature:

name:

Address



## Schedule 1: The Products and Prices

[ .....  
.....]

## **Schedule 2: Description of after sales service required**

## **Schedule 3: Minimum sale requirements**

### Schedule 4 :The sales training scheme

.....

..... :

### Duration of training

## Brief details of the programme

Number of people;

Who will train;

Responsibility for health and safety;

.....;

Who pays cost of travel and accommodation?

## **Schedule 5: After sales service**

## **Schedule 6: Batch Payment**

## Explanatory notes:

## Distribution agreement: sale of goods, full version, merchant side

## Paragraph specific notes

## Notes related to specific numbered paragraphs

## 1. Definitions

[illegible]

But if you do change the defined word, **make sure it applies to every use** ■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■.

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really ■■■■■■■■■■  
■■■■■■■■■■.

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## 2. Interpretation

[illegible]

### 3. Relationship of parties

Confirms authority of an organisation to make the deal. If you are dealing with a company and do not know who has authority to ■■■■■■ , ■■■■ ■■■■■■■■■■■■ .

#### 4. Entire agreement

[illegible]

This paragraph provides ideas for the ongoing liaison between the parties and the provision of sufficient reports to the merchant to inform him, first as to past activity by the distributor and secondly as to current and future market conditions. It is particularly important that the merchant has access to all ■ ■ ■





**18. Payment on running credit account**

This paragraph applies only if credit facilities have been granted to the Distributor. There is no need to write into your terms, your requirements for giving credit. First, you need absolute flexibility and second, it is not a contractual matter but a concession by you. The only contractual part is the charging of interest. Most customers assume

[illegible]

## 19. Payment by letter of credit

We have no further comment

## 20. Risk and retention of title

[illegible]

20.1. The concept and use of a provision for retention of title is only of use when you are competing against some other party to establish ownership.

.....

.....

.....

....

[illegible][illegible]

20.4. Payment through an LC is universally acknowledged and .

[illegible]

**21. Products defective or not as ordered**

Matters for your judgement. ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ .

## 22. Warranty and Service Policy

[illegible]

## 23. Disclaimers and limitation of liability

Matters for your judgement. ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ .

## 24. Mutual indemnities

[illegible]

## 25. Assignment

[illegible][illegible]

We give you these options:

25.1. Neither party may assign the contract

Action: use first option and delete second

25.2. Both parties may assign.

Action: delete all

25.3. Both   


Action: leave as is.

Action: edit

Action: use second alternative and delete first.

The last paragraph on “assignment” does

In practice however, the personal element may be important to you or you may

Of course, it also

Needs to ■■■■■■ . ■■■■■■ . ■■■■■■  
■■■

Every business has far more intellectual property than its managers generally assume. It “ ” “ ” , ,

Nonetheless, you could carefully to define those items of intellectual property which the distributor might need to use so as

## End of notes