

CA-MADdis07

## **Distribution agreement: high brand value product**

**Dated:**      [\[date\]](#)

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This agreement is dated: [date]

It is made between:

Pierre Francois Limited, a company incorporated in Canada [under incorporation number [number] and] whose [ ] (“ ”);

and

House of Darling Pty, a company incorporated in Australia whose main place of business [ ], (“ ”).

These are the agreed terms:

## 1. Definitions

These definitions apply unless the context :

“Confidential Information” means all information about the parties to this agreement, including any information which may give a commercially competitive advantage . :  
:

information about staff, their performance and ,  
data or information relating to suppliers, product plans, marketing strategies, finance, performance, operations, customer , , , , , ;

information about the Intellectual Property, the Know-how and all ;  
;

information created or arising from this agreement;

information owned by a third party and in respect of which a party - .

information, comment or implication published on

[illegible]

It does not include information that it is reasonably necessary to disclose to a customer or other person in the usual course

[illegible]

means a customer of Darling who ■■■■■■■■  
■■■■.

[illegible]

means intellectual property of every sort, [owned by or licensed to [name]], whether or not registered or registrable in any country, including intellectual property of kinds coming into existence after today, together with

[REDACTED]

. and includes:

patents, trade marks, unregistered marks,

[illegible]

- [illegible]

- ### 3. Relationship of parties

- #### 4. Entire agreement

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## 5. Appointment of Darling and licence to use Intellectual Property

- 5.1. PierreF now appoints Darling as its [exclusive / non-exclusive] distributor in the Territory for the sale of the Product, and Darling now agrees [REDACTED], [REDACTED].
- 5.2. Darling acknowledges that PierreF owns all right, title and interest in and to the Product and that Darling has no right [REDACTED].
- 5.3. Subject to the terms of this agreement, PierreF grants to Darling an exclusive licence to sell the Product within the Territory, [REDACTED] [REDACTED].
- OR
- 5.4. Subject to the terms of this agreement, PierreF grants to Darling an exclusive licence to sell the [REDACTED] [REDACTED], [REDACTED].
- OR
- 5.5. Subject to the terms of this agreement, PierreF grants to Darling a licence to sell the Product only within the Territory, for a term starting today and ending [REDACTED] [REDACTED] [REDACTED] [REDACTED].
- OR
- 5.6. Subject to the terms of this agreement, PierreF grants to Darling an exclusive licence to use the Product in connection with the retail sale of the Product [REDACTED], [REDACTED].
- 5.7. Darling shall not promote or sell any product or service connected with or derived from the Product Rights, outside the Territory, nor sell any Product within the Territory if [REDACTED] [REDACTED] - [REDACTED].
- 5.8. Darling must not sub-license the Product Rights [REDACTED] [REDACTED].



- [illegible]

- 5.10. The Licence may not be assigned nor transferred, ■■■■■■■■■■  
■■■■■■■■■■■:





- 5.10.3 the sub-licence is non-assignable.

- 5.11.** So far as any goodwill is generated by Darling's use of the Product it ■■.

- [illegible]

## 6. The Price

- 6.1. The Price of the Product shall be the price stipulated in PierreF's published price list current ■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■  
■■■■■■■■■■.

OR

- 6.2. PierreF will sell the Product to Darling at the Prices ■ ■ ■ ■ ■ ■ ■ ■ ■ ■  
 ■ ■ ■ ■ ■ 1.

AND



OR



## 8. Darling's marketing obligations

8.1. Darling will use its best endeavours to:

8.1.1 promote and sell the Product throughout the Territory;

8.1.2   maintain adequate stocks ■■■■■■■■■■■■■■■■■■■■  
■■■■■■■■■■■■■■■■■■■■;

8.2. Darling is solely responsible for compliance with all \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_.

8.3. Darling is solely responsible for payment of all costs associated with the \_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_.

8.4. Darling will:

[illegible][illegible]

8.5. Darling agrees that .....  
.....:

[illegible]



20xx

OR

[illegible]

## 11. Darling's liaison and reports

Darling will provide to PierreF:



## 12. Protection of Intellectual Property

Darling agrees that it will:

- [illegible]

## 13. Obligations of PierreF

- [illegible]



OR

## 16. Delivery

[illegible]

16.3. PierreF will use its best endeavours to supply [REDACTED]  
[REDACTED] [REDACTED / REDACTED] [REDACTED]  
[REDACTED].

16.4. PierreF may from time to time change any specification ■■■■■■■■■■  
 ■■■■■■■■■■  
 ■■■■■■■■■■

16.5. Each order \_\_\_\_\_.

\_\_\_\_\_

16.6. Upon receipt of each order from Darling PierreF will inform Darling of the .

## 17. Transportation

17.1. The following Incoterms :  
: :



17.2. All rights, obligations,

### Option 1

## 18. Payment terms

18.1. Darling shall pay for each batch of the Product not less ■■■■ [ 28 ■■  
■■■ ] ■■■■

.....  
.....

OR

18.2. Darling shall pay for .....  
..... 6 .

18.3. If Darling fails to pay for any ..... [ 56 .....  
..... ] ..... :

18.3.1 suspend all further .....  
..... ; ..... / .....

18.3.2 sell any the .....  
..... .

OR

18.4. Payment of the Price ..... 30 .....  
..... .

18.5. All sums due under this agreement:

18.5.1 shall be made in full, without any set- .....  
.....  
.....  
..... .

18.5.2 shall be paid by the due date, failing which PierreF may charge  
Darling .....  
..... [ 8 ] % .....  
..... ;

18.5.3 Payments will be made by Darling in Canadian dollars by .....  
.....  
..... / .....  
..... [ ..... ] .

18.5.4 shall be paid in .....  
..... [ ..... ] .












OR

18.5.5 [specify method of payment and due date].

- 18.6. On request, PierreF will supply [REDACTED]  
[REDACTED]  
[REDACTED].
- 18.7. If any applicable law requires any tax or charge to be deducted before payment, [REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED] [REDACTED]  
[REDACTED].
- 18.8. Any sum due under this agreement not expressed in Canadian dollar shall is [REDACTED]  
[REDACTED] [REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED].
- 18.9. Banking charges by the receiving bank on payments to PierreF [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED].
- 18.10. The parties shall collaborate [REDACTED]  
[REDACTED].
- 18.11. Where credit has been agreed in writing between [REDACTED], [REDACTED]  
[REDACTED] 30 [REDACTED]  
[REDACTED].
- 18.12. No right of set off shall arise.

## Option 2

## 19. Payment on running credit account

- 19.1. Payment is due to reach PierreF's   
  
 .
- 19.2. On request, PierreF will supply   
  
 .
- 19.3. PierreF's accounting system will automatically charge interest   
 ,   
 [ 1 ]  .

- 19.4. If money remains overdue after one month, the rate charged will be [1.5] .  
.  
.  
.

### Option 3

## 20. Payment by letter of credit

- 20.1. Payment for .
- 20.2. Darling shall within [7] days of , [ ] .
- 20.3. Each letter of credit must be confirmed, transferable, irrevocable, without recourse, [ ]  
[ ]  
, [ ]  
[ ]].
- 20.4. The letter of credit shall be payable [30] [ ]  
[ ]].
- 20.5. Each letter of credit shall remain open for at 30 .
- 20.6. The terms of the letter of credit may be specified , .
- 20.7. Where there is an error on the letter or credit, or for whatever reason PierreF's ,  
.  
.  
.

## 21. Risk and retention of title

21.1. Ownership of the Product shall not pass to Darling until it has \_\_\_\_\_  
 \_\_\_\_\_, \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_.

OR

21.2.1 Darling has paid the Price in full; and

21.4. Darling must store the Product (at no cost to PierreF) ■■■■■■  
 ■■■■■■  
 ■■■■■■  
 ■■■■■■.

21.7. Until property in the Product passes from PierreF the entire proceeds of sale of the

21.8. PierreF is entitled to recover the \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_.









## 25. Disclaimers and limitation of liability

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


25.4.1 indirect or consequential loss; or

[illegible][illegible][illegible]



## 27. Assignment

[illegible]

27.2.  .

## 28. Sale of business or change of Control

[illegible][illegible][illegible]

28.4. Darling agrees that this provision is fair.

## 29. Confidential Information

[illegible]



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

29.8.  $\frac{1}{2} \left( \frac{1}{2} + \frac{1}{2} \right) = \frac{1}{2}$  .

[illegible]

### 30.2.1 on [date];

```
30.2.2 ■■■■[3■■■■]■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■
```

[illegible][illegible][illegible]







( [REDACTED], [REDACTED] ) [REDACTED]  
[REDACTED], [REDACTED] [REDACTED / [REDACTED]  
[REDACTED] ] [REDACTED]  
[REDACTED] ].

32.7. [REDACTED]  
[REDACTED]  
.

32.8. [REDACTED]  
[REDACTED], [REDACTED]  
[REDACTED]  
[REDACTED] .

32.9. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] - [REDACTED] .

It shall be deemed to have been delivered:

[REDACTED] : [REDACTED]  
[REDACTED] ;

[REDACTED] :  
[REDACTED] 72 [REDACTED] ;

[REDACTED] - [REDACTED]  
[REDACTED]  
[REDACTED] - [REDACTED] : [REDACTED] 24 [REDACTED]  
[REDACTED] - [REDACTED]  
[REDACTED] . [REDACTED]  
[REDACTED] - [REDACTED] . [REDACTED],  
[REDACTED]  
[REDACTED] ].

32.10. [REDACTED]  
[REDACTED], [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] .

32.11. [REDACTED], [REDACTED]  
[REDACTED], [REDACTED]  
[REDACTED] .

32.12. [REDACTED]  
[REDACTED]

[illegible][illegible]

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Name:

Address

### Schedule 1: The Product and Prices

[illegible]

## **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: high brand value product

## General notes

**This agreement**

This agreement has been drawn primarily for the manufacturer or merchant who wants to .

[illegible]

Terms may overlap to give you the option of which to choose. We have assumed it may be far away and that you may not be able to control its day to day activities. It follows that if your distributor is “friendly” it will certainly wish to see many of these points deleted.

This agreement is drawn in general terms without specific reference to any industry. Net Lawman advises that you should give careful thought to ■■■■■■ - ■■■■■■■■■■■■.

### Paragraph specific notes:

Notes numbering refers to paragraph numbers.

## 1. Definitions

Please read the general notes sent along with ■ ■ ■ ■ ■ ■ ■ ■ .

[illegible][illegible]

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

---

---

[illegible]

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

[illegible][illegible]

A menu of alternative licence arrangements and protection of your IP rights.  
Edit ■■■■■■■■■■■■■■■■■■■■■■■■■■■■■■.

The merchant's ability to change prices and specification are likely to be one of the areas of greatest concern to the distributor. You should find a formula which will be valid for at least some years ahead. Alternatively the distributor may feel it

## 7. Administrative obligations of Darling

A menu of possibilities. Add and delete ■■■■■■■■■■.

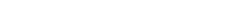

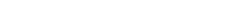
## 8. Darling's marketing obligations

[illegible]

## 9. PierreF's approval of Darling's marketing plan

We have no comment.

## 10. Minimum sale requirements

Most distribution agreements provide for minimum sales. This can be expressed in different  ,   .

## 11. Darling's liaison and reports

[illegible]

We have provided a menu of possibilities.

## 12. Protection of Intellectual Property

Further strong safeguards. The last sub-paragraph is intended

### 13. Obligations of PierreF

These obligations are intentionally vague. Add and delete as you see fit.

## 14. Compliance and regulation

This provision is usually most important when selling abroad. We have no

.....

.....

## 15. Orders and acceptance

[illegible]

## 16. Delivery

There is an infinite number of possible arrangements.

■ ■ ■ ■ ■ ■ ■ ■ ■ ■  
■ .

## 17. Transportation

If you are selling abroad, we recommend using an Incoterm because they will commit both sides to an accepted and firm set of rules. If you are selling only in Canada, of course delivery arrangements will be far more simple. If you use an Incoterm, make sure you delete all the alternative Incoterms and check your obligations at <https://iccwbo.org/resources-for-business/incoterms-rules/incoterms-2020/>

## 18. Payment terms

[illegible]

**19. Payment on running credit account**


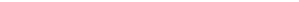
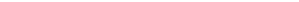

This paragraph applies only if credit facilities have been granted to Darling. There is no need to write into your terms, your requirements for giving credit. First, you need absolute flexibility and second, it is not a contractual matter but a concession by you. The only contractual part is the charging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



## 25. Disclaimers and limitation of liability

Matters ■■■■■■■■■■ . ■■■■■■■■■■ .

## 26. Mutual indemnities

We have provided far more  .  
   .

## 27. Assignment

[illegible]

Consider the circumstances on both sides which may

We give you these options:

27.1. Neither party may assign the contract

Action: use first option and delete second

27.2. Both parties may assign.

Action: delete all

27.3. Both   


Action: leave as is.

27.4. You may assign but not other party.

[illegible]

27.5. A party may .....  
.....

Action: use second alternative and delete first.

## 28. Sale of business or change of Control

## End of notes