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**DISTRIBUTION AGREEMENT**

This Distribution Agreement (the “Agreement”) is made and entered into as of the date of execution by and between [**Enter Company name**], located at [**Enter address**] (the “Company”) and [**Enter Distributor name**], located at [**Enter address**] (the “Distributor”). Both the Company and the Contractor may be referred to individually as a “Party” and collectively as the “Parties.” The Company is engaged in the business of [**Describe what the business creates or produces**] (the "Product") and would like to enter into a relationship whereby the Distributor distributes the Product subject to the terms of this Agreement. The Parties, for and in consideration of the mutual promises and covenants contained herein, and in consideration of the benefits to be accrued to each of them hereto, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties do hereby covenant, agree, and bind themselves as follows:

1. **APPOINTMENT AS DISTRIBUTOR.**

*1.1 Exclusive Rights.* The Company hereby appoints the Distributor to be the exclusive distributor of the Product in the [**Enter County, State, or other geographic boundary to describe the territory**] (the "Territory") for the duration of this Agreement.

*1.2 License Granted.* The Company hereby grants the Distributor an exclusive license within the Territory to (i) use, market, and otherwise distribute the Product throughout the Territory; and (ii) display the Product in the course of reasonable promotion and marketing of the Product.

*1.3 Term.* This Agreement shall last from the date of execution until [**Enter end date**] unless otherwise terminated according to the terms herein.

*1.4 Termination for Breach.* In the event that the Distributor is in breach of this Agreement, the Company shall provide written notice to the Distributor of such breach. Should the Distributor fail to cure such breach within [**Enter time period**] business days, then the Company may immediately terminate this Agreement with written notice.

*1.5 Termination Events.* The Company may immediately terminate this Agreement with written notice to the Distributor should any of the following (each, a "Termination Event") occur: (i) the Distributor be declared insolvent by a court of law; (ii) any warranty made by the Distributor in this Agreement be false at any point for the duration of this Agreement; (iii) any force majeure event occurs that frustrates the purpose of this Agreement; or (iv) the majority owner (or an aggregation thereof) of the Distributor be convicted of or plead nolo contendre to a felony.

*1.6 Independent Contractor Status.* This Agreement shall not render either Party or any of their agents an employee, partner, agent of, or joint venturer of the other Party, for any purpose. Neither Pary shall not be responsible for withholding taxes with respect to any compensation owed to the other arising from this Agreement.

1. **OBLIGATIONS OF THE DISTRIBUTOR.** The Distributor covenants that it will, for the duration of this Agreement:

2.1 Endeavor to promote, market and distribute the Product in the Territory;

2.2 Maintain good relations with the owners, employees, and agents of the vendors at which the Product is sold within the Territory;

2.3 Endeavor to maximize the number of advertisers using the Product;

2.4 Pay to the Company all fees and expenses which the Distributor is obligated to pay within the time limited by this Agreement;

2.5 Be competent and knowledgeable with regard to all aspects of the Product;

2.6 Inform the Company of any matter which may affect or assist the promotion and marketing of the Product;

2.7 Act in good faith at all times towards the Company and provide assistance and cooperation as practicable on request by the Company;

2.8 Furnish to the Company, within [**Enter time period**] business days of the Company's request, any information sought by the Company regarding the promotion and distribution of the Product in the Territory;

2.9 Consult on an ongoing basis with the Company with respect to significant aspects of the distribution of the Product; and

2.10 Not make any false, misleading or deceptive statements with respect to the Product.

1. **ORDERS OF PRODUCT.** The Company shall make all commercially reasonable efforts to ensure that sufficient amounts of the Product are available when and as ordered by the Distributor. Upon receipt of an order for Product from the Distributor, the Company will issue to the Distributor written confirmation for the order confirming the quantity of Product ordered and dispatched and the destination of the dispatched Product.

1. **NO ALTERATION OF THE PRODUCT.** The Distributor hereby agrees that the Distributor may not modify, alter, adapt, or amend the Product in any way. Nor may the Distributor affix its name and/or logo onto the Product.

1. **INTELLECTUAL PROPERTY RIGHTS.** The Distributor hereby acknowledges that it will not acquire any intellectual property rights in the Product, including copyright, trademark, trade secret, or patent rights. Should the Distributor assist with the development of any innovation or development pertaining to the Product or its services hereunder, the Distributor agrees to irrevocably waive and assign without further consideration, and automatically assign, without further consideration, all rights, title and interest in any such innovation and other intellectual property rights there-in, including moral rights, to the Company, its successors and assigns. The Distributor agrees to perform, upon the reasonable request of the Company, during or after termination of this Agreement, such further acts as may be necessary or desirable to assign, transfer, perfect and defend the Company's ownership of any such innovation, including but not limited to the following:

5.1 Executing, acknowledging and delivering any requested affidavits and documents of assignment and conveyance;

5.2 Obtaining and aiding in the enforcement of copyrights and, if applicable, patents with respect to the innovation in any countries;

5.3 Providing testimony in connection with any proceeding affecting the right, title or interest of Company in any innovation; and

5.4 Performing any other acts deemed necessary or desirable to carry out the purposes of this Agreement.

1. **WARRANTIES.**

*6.1 Mutual Warranties.* Both Parties hereby warrant that (i) it has the authority to enter into and perform its obligations under this Agreement; and (ii) it has the ability to perform its obligations under this Agreement.

*6.2 Warranties by the Company.* The Company hereby represents and warrants that (i) the Product is in compliance with applicable laws governing the Product; and (ii) use of the Product in accordance with this Agreement will not infringe on the rights, including intellectual property rights, of any third party.

*6.3 Warranties by the Distributor.* The Distributor hereby represents and warrants that (i) it is authorized by all necessary government and other agencies and authorities and will, throughout the Term, continue to be authorized to distribute the Product; (ii) it will not alter the Product without the prior written approval of the Company, which approval may be withheld by the Company in its absolute discretion; (iii) the information provided to the Company in relation to the subject matter of this Agreement before its entry into this Agreement is true and correct; (iv) it will not directly or indirectly, distribute the Product to any person outside the Territory; and (v) it will not directly or indirectly, distribute the Product to any person in the Territory whom the Distributor knows or should reasonably know intends to distribute the Product outside the Territory.

1. **INDEMNIFICATION.**

*7.1 By the Company.* The Company shall protect, defend, indemnify and hold the Distributor harmless from any claims, demands, suits, damages, losses, expenses, liabilities or causes of action (including reasonable attorney's fees) arising or resulting directly or indirectly from or in connection with: (i) the Company's breach of this Agreement; (ii) the Company's and/or the Company's agent’s negligent acts or omissions in performing its duties under this Agreement; and (iii) any infringement or alleged infringement of the rights, including the intellectual property rights of any person occurring by the use of the Product in performance of this Agreement.

*7.2 By the Distributor.* The Distributor shall protect, defend, indemnify and hold the Company harmless from any claims, demands, suits, damages, losses, expenses, liabilities or causes of action (including reasonable attorney's fees) arising or resulting directly or indirectly from or in connection with: (i) the Distributor's breach of this Agreement; (ii) the Distributor's and/or the Distributor's agent’s negligent acts or omissions in performing its duties under this Agreement; and (iii) any use of the Product by the Distributor otherwise than in accordance with this Agreement.

*7.3 Notification of Claims.* Each Party shall notify the other in writing as soon as practicable and in any event within [**Enter time period**] business days of any claim or demand made, or action, suit or proceeding threatened or brought, against such Party arising from circumstances for which the indemnification obligation will apply.

1. **PRODUCT RECALL ACKNOWLEDGMENT.** The Distributor acknowledges and accepts that the Company may from time to time recall on demand any Product which the Company, in its sole and unfettered discretion, considers defective or requires replacement or repair in order to ensure the quality, performance and utility of the Product is not degraded. In the event the Company recalls a Product pursuant to this Section the Company will replace the Product with a Product of similar or better quality than the recalled Product.

1. **INSURANCE.**

*9.1 Generally.* The Distributor shall procure general liability insurance covering all of the Distributor's operations including liability for property damage, personal injury, products liability, contractual liability, and contingent liability and the Distributor shall indemnify the Company in respect of any claim arising hereunder. Such policy shall comprehensively cover such liabilities with limits of not less than [**Enter amount**] per occurrence or any such higher limits as the Company may require from time to time. The Distributor will cause the Company to be additional insured on any policy of insurance taken out under this Section and shall deliver copies of such policies or proof of insurance to the Company as soon as practicable and in any event within [**Enter time period**] business days after the execution of this Agreement.

*9.2 Additional Requirements.* [**Enter any additional insurance requirements**]

1. **DUTY AND TAXES.** The Distributor shall pay all duty, taxes, and other governmental charges payable or assessed on this Agreement and any other pertinent documentation.

1. **MISCELLANEOUS.**

*11.1 Severability.* The invalidity or unenforceability of any provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

*11.2 Survival.* The covenants on the part of the Distributor and the Company contained in [**Enter applicable sections**] of this Agreement shall survive termination of this Agreement.

*11.3 Assignment Prohibited.* No Party may assign or transfer its rights or obligations under or interest in this Agreement without the prior written consent of the other Parties hereto, except that the Company may assign this Agreement to any affiliated party or any party which purchases substantially all of the assets of the Company.

*11.4 Entire Agreement.* This Agreement constitutes the entire understanding and agreement of the parties with respect to its subject matter, and any and all prior agreements, understandings or representations with respect to the subject matter hereof are terminated and canceled in their entirety and are of no further force or effect, but specifically excluding the Agreement and the agreements, documents, and instruments provided for herein.

*11.5 No Waiver.* No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel against the enforcement of any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel. No such written waiver shall be deemed a continuing waiver unless specifically stated herein, and each such waiver shall operate only as to the specific term or condition waived but shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

*11.6 Governing Law; Venue.* This Agreement is to be construed in accordance with and governed by the internal laws of the State of [**Enter State**] without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of [**Enter State**] to the rights and duties of the parties. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement shall be brought against any of the parties only in the courts of the State of [**Enter State**], County of [**Enter County**], and each of the parties consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and irrevocably waives any objection to venue laid therein.

11.7 [**For use if arbitration is preferred over civil litigation**]*Arbitration.* Any controversy or claim arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration [**Enter specific arbitration details**].

*11.8 Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be deemed original, but all of which together shall constitute one and the same instrument.

*11.9 Notices.* All notices, requests, demands and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given, made and received only when delivered (personally, by courier service such as Federal Express, or by other messenger) or when deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or by email, addressed as set forth below or as communicated by either Party after the execution of this Agreement to the addresses listed at the beginning of this Agreement or such other addresses as indicated by the Parties from time to time.

*11.10 Acknowledgment.* The Parties acknowledge that they have fully read and completely understand the terms, nature, and effect of this Agreement, and have had the opportunity to consult with legal counsel before executing this Agreement. The parties further acknowledge that they are executing this Agreement freely, knowingly, and voluntarily and that each party’s execution of this Agreement is not the result of any fraud, duress, mistake, or undue influence whatsoever. In executing this Agreement, neither party has relied on any inducements, promises, or representations by the Company other than the terms and conditions herein.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.