**DISTRIBUTOR AGREEMENT**

This Distributor Agreement (referred to as the “**Agreement**”) is entered into as of [INSERT DATE] (the “**Effective Date**”), by and between [SUPPLIER COMPANY NAME], a [STATE/COUNTRY] [corporation/LLC/other entity type] with its principal place of business at [ADDRESS] (the “**Supplier**”), and [DISTRIBUTOR COMPANY NAME], a [STATE/COUNTRY] [corporation/LLC/other entity type] with its principal place of business at [ADDRESS] (the “**Distributor**”). The Supplier and the Distributor are hereinafter individually referred to as a “**Party**” and collectively as the “**Parties**”.

The Supplier is engaged in the manufacture, distribution, and sale of [describe products] and seeks to expand its market presence.

The Distributor desires to purchase and distribute the Products (as defined below) in bulk within the defined territory and sell them to resellers and/or end customers.

The Supplier is willing to grant the Distributor the rights to market, sell, and distribute the Products under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows.

1. **PURPOSE AND SCOPE**
   1. The Supplier hereby appoints the Distributor, on a non-exclusive basis, to purchase, market, and distribute the Products within the Territory, and the Distributor accepts such appointment. For the purposes of this Agreement: (i) “**Products**” means the goods manufactured or distributed by the Supplier as described in Schedule 1, including any updates or modifications agreed upon by the Parties; and (ii) “**Territory**” means the geographic area in which the Distributor is authorized to distribute the Products, as defined in Schedule 2.
   2. The Distributor shall have the right to distribute the Products within the Territory. The Supplier agrees not to supply the Products directly or through other channels in the Territory that would compete with the Distributor’s efforts, unless otherwise agreed in writing.
   3. The Distributor may engage sub-distributors or resellers to sell the Products, provided that such arrangements are approved in writing by the Supplier and are subject to the terms of this Agreement.
2. **PREREQUISITES**
   1. The Parties shall cooperate in good faith and exchange any documents or information that may be useful for the proper performance of the Agreement.
   2. In particular, each Party shall, upon request, promptly provide the other Party with all information, assistance, materials, and resources that the other Party may reasonably require from time to time in connection with the performance of its obligations under this Agreement.
3. **DISTRIBUTOR OBLIGATIONS**
   1. The Distributor shall:
      1. actively promote, market, and sell the Products within the Territory using commercially reasonable efforts;
      2. maintain adequate inventory and proper storage facilities to ensure the Products are kept in good condition;
      3. provide the Supplier with regular sales reports as detailed in Schedule 3;
      4. comply with all applicable laws, regulations, and industry standards regarding the marketing, sale, and distribution of the Products;
      5. adhere to the Supplier’s branding and marketing guidelines when promoting and selling the Products; and
      6. participate in any training sessions or meetings as requested by the Supplier to ensure proper product knowledge and representation.
4. **SUPPLIER OBLIGATIONS**
   1. The Supplier agrees to:
      1. provide the Distributor with a consistent and reliable supply of Products that meet the specifications and quality standards set forth in Schedule 1;
      2. process and fulfill purchase orders promptly and deliver the Products in accordance with the delivery terms set forth in Schedule 4;
      3. supply the Distributor with approved marketing materials and product information to aid in the promotion of the Products;
      4. provide necessary technical support, product updates, and training to ensure that the Distributor can effectively market and sell the Products; and
      5. maintain clear and timely communication regarding product changes, updates, or any issues that may affect the Distributor’s ability to market and distribute the Products.
5. **PRICING, PAYMENT TERMS, AND FEES**
   1. The Products shall be sold to the Distributor at the prices specified in Schedule 1. The Supplier reserves the right to adjust prices upon providing [NUMBER] days’ written notice.
   2. Invoices will be issued upon shipment of the Products and are payable within [NUMBER] days from the invoice date.
   3. Payments shall be made in U.S. Dollars via bank transfer, check, or any mutually agreed method.
   4. Late payments shall accrue interest at a rate of [PERCENTAGE]% per month or the maximum rate permitted by law.
   5. Any pre-approved expenses related to special handling or packaging will be reimbursed by the Distributor upon submission of proper documentation, as detailed in Schedule 5.
6. **INTELLECTUAL PROPERTY RIGHTS**
   1. All intellectual property rights in the Products, including trademarks, logos, designs, and related materials, remain the exclusive property of the Supplier.
   2. The Supplier grants the Distributor a non-exclusive, non-transferable license to use the Supplier’s intellectual property solely for the purpose of marketing and selling the Products within the Territory, in accordance with the Supplier’s guidelines.
   3. The Distributor shall not modify, reproduce, or distribute the Supplier’s intellectual property for any purpose other than as expressly permitted in this Agreement.
   4. The rights and obligations under this Section shall survive the termination or expiration of this Agreement.
7. **CONFIDENTIALITY**
   1. From time to time during the duration of this Agreement, either Party (as the "**Discloser**") may disclose or make available to the other Party (as the "**Recipient**"), non-public, proprietary, and confidential information of Discloser [whether or not marked or labeled as "confidential"/that, if disclosed in writing or other tangible form is clearly labeled as "confidential," or if disclosed orally, is identified as confidential when disclosed and within [NUMBER] days thereafter, is summarized in writing and confirmed as confidential] ("**Confidential Information**"); provided, however, that Confidential Information does not include any information that: (i) is or becomes generally available to the public other than as a result of the Recipient's breach of this Section 7; (ii) is or becomes available to the Recipient on a non-confidential basis from a third-party source, provided that such third-party is not and was not prohibited from disclosing such Confidential Information after due inquiry; (iii) was in the Recipient's possession prior to the Discloser's disclosure hereunder; or (iv) was or is independently developed by the Recipient without using any Confidential Information.
   2. The Recipient shall: (i) protect and safeguard the confidentiality of the Discloser's Confidential Information with at least the same degree of care as the Recipient would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (ii) not use the Discloser's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (iii) not disclose any such Confidential Information to any person or entity, except to members of the Recipient's Group who need to know the Confidential Information to assist the Recipient, or act on its behalf, to exercise its rights or perform its obligations under this Agreement. For purposes of this Section 7, "**Recipient's Group**" means the Recipient's affiliates and its or their employees, officers, directors, shareholders, partners, members, managers, agents, independent contractors, service providers, sublicensees, subcontractors, attorneys, accountants, and financial advisors.
   3. If the Recipient is required by applicable law or legal process to disclose any Confidential Information, it shall, prior to making such disclosure, use commercially reasonable efforts to notify the Discloser of such requirements to afford the Discloser the opportunity to seek, at the Discloser's sole cost and expense, a protective order or other remedy.
   4. The Recipient shall be responsible for any breach of the foregoing obligations by any member of the Recipient’s Group.
8. **REPRESENTATIONS AND WARRANTIES**
   1. The Supplier represents that it has the right to sell the Products and grant the rights set forth in this Agreement, and that the Products comply with applicable laws and industry standards.
   2. The Distributor represents that it has the legal capacity to enter into this Agreement and will comply with all applicable laws in its marketing and sale of the Products.
9. **LIMITATION OF LIABILITY**
   1. THE DISTRIBUTOR SHALL INDEMNIFY AND HOLD HARMLESS THE SUPPLIER FROM ANY CLAIMS, DAMAGES, OR LOSSES ARISING FROM THE DISTRIBUTOR’S BREACH OF THIS AGREEMENT OR ITS NEGLIGENT ACTS IN MARKETING OR SELLING THE PRODUCTS.
   2. THE SUPPLIER SHALL INDEMNIFY AND HOLD HARMLESS THE DISTRIBUTOR FROM ANY CLAIMS, DAMAGES, OR LOSSES ARISING FROM THE SUPPLIER’S BREACH OF THIS AGREEMENT OR DEFECTS IN THE PRODUCTS, TO THE EXTENT PERMITTED BY LAW.
   3. NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT.
   4. SAVE FOR SECTION 9.1 AND 9.2 AND SUBJECT TO SECTION 9.3, EACH PARTY’S TOTAL AGGREGATE LIABILITY SHALL NOT EXCEED THE TOTAL AMOUNT PAID BY THE DISTRIBUTOR TO THE SUPPLIER DURING THE [SPECIFIED PERIOD, E.G., 12 MONTHS] IMMEDIATELY PRECEDING THE CLAIM.
10. **TERM**

This Agreement shall commence on the Effective Date and continue for an initial term of [NUMBER] years unless terminated earlier in accordance with this Agreement. The Agreement may be renewed upon mutual written consent.

1. **TERMINATION**
   1. Either Party may immediately terminate this Agreement upon written notice if the other Party:
      1. materially breaches this Agreement, and such breach is incapable of cure, or, if the breach is capable of cure, fails to cure such breach within [NUMBER] days after receiving written notice of the breach;
      2. becomes insolvent or is generally unable to pay its debts as they become due;
      3. files, or has filed against it, a petition for voluntary or involuntary bankruptcy, or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law;
      4. makes or seeks to make a general assignment for the benefit of its creditors;
      5. applies for, or has appointed, a receiver, trustee, custodian, or similar agent by order of a court of competent jurisdiction to take charge of or sell any material portion of its property or business; or
      6. is dissolved or liquidated.
   2. Either Party may terminate this Agreement for convenience upon [NUMBER] days’ written notice.
   3. The expiration or termination of this Agreement shall not affect any rights or obligations that: (i) are intended to survive such expiration or termination; and (ii) were incurred by the Parties prior to such expiration or termination.
   4. Upon the expiration or termination of this Agreement for any reason, each Party shall promptly:
      1. [return to the other Party/destroy] all documents and tangible materials (including any copies) containing, reflecting, incorporating, or based on the other Party’s Confidential Information;
      2. permanently erase all of the other Party’s Confidential Information from its computer systems, [except for copies that are: (i) required to be retained under applicable laws; or (ii) maintained as archive copies on its disaster recovery or information technology backup systems, which shall be destroyed upon the normal expiration of such backup files, or as otherwise required by law]; and
      3. certify in writing to the other Party that it has complied with these requirements.
2. **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to its conflict of laws principles. Any legal action arising out of this Agreement shall be brought exclusively in the state or federal courts located in the State of Illinois, and each Party consents to the jurisdiction of such courts.

1. **NOTICES**

All notices under this Agreement shall be in writing and delivered by personal delivery, courier service with tracking, certified or registered mail (postage prepaid), or email (with confirmation of receipt).

1. **ENTIRE AGREEMENT**

This Agreement, including all schedules and attachments, constitutes the entire agreement between the Parties regarding the subject matter herein and supersedes all prior negotiations, communications, and agreements.

1. **AMENDMENTS**

Any amendments or modifications to this Agreement must be in writing and signed by both Parties.

1. **SEVERABILITY**

If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

1. **ASSIGNMENT**

Neither Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party, except in connection with a merger or sale of substantially all of its assets.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Distributor Agreement as of the Effective Date.

[SUPPLIER COMPANY NAME]  
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[DISTRIBUTOR COMPANY NAME]  
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE 1**

**PRODUCTS**

[INSERT PRODUCT LIST, PRICES, SPECIFICATIONS AND STANDARDS]

**SCHEDULE 2**

**TERRITORY**

[INSERT TERRITORIES LIST]

**SCHEDULE 3**

**SALES REPORTS**

[INCLUDE SALES REPORTS REQUIREMENTS]

**SCHEDULE 4**

**DELIVERY TERMS**

[INSERT DELIVERY TERMS]

**SCHEDULE 5**

**EXPENSES DOCUMENTATION**

[INSERT DOCUMENTATION REQUIRED FOR EXPENSE REIMBURSEMENT]