### SOFTWARE DISTRIBUTION AGREEMENT TEMPLATE



The Software Distribution Agreement is intended to serve as a binding contract between two companies, the owner of a software program (Licensor) and a software distributor, which sells the software to users (Licensees). In exchange, the Licensor receives an initial sum for the granting of the rights, plus royalties for each one of the software licenses which the Distributor sells in the given territory. The <u>Software Distribution Agreement</u> also includes certain clauses to ensure that the Licensor has control of the software licenses granted to the Distributor, and that the Intellectual Property Rights which are granted are properly used.

#### SOFTWARE DISTRIBUTION AGREEMENT

DATE:

#### **BETWEEN:**

[address,	city	and	country]	and	registration/fiscal	number	is			
represented by										
and surname, position] (hereinafter, referred to as the "Company"),										

#### AND:

[company legal name] whose registered office is at							
[address, city and country] and registration/fiscal number is							
represented by	[name	and	surname,	position]			
(hereinafter, referred to as the "Distributor"),							

#### RECITALS

WHEREAS the Company is the owner of certain computer software known as ......[insert name].

WHEREAS, the Company has agreed to appoint the Distributor as its exclusive distributor to distribute in the Territory (as hereinafter defined) under the terms and conditions hereinafter contained.

THE PARTIES AGREE as follows:

#### 1. **DEFINITIONS**

In this Agreement, unless the context otherwise requires, the following expressions have the following meanings:

"Calendar day" means any day including a Saturday, Sunday or a public holiday in the Territory.

"Intellectual Property Rights" means patents, trademarks, service marks, registered designs, source code, applications for any of the foregoing, copyright, design rights, know-how, confidential information, trade and business names and any other similar protected rights in any country.

"Licensee" means a person or company situated in the Territory who has acquired license to use the Software from the Distributor.

"**Product Description**" means the product description of the Software describing the facilities and functions thereof as supplied to the Distributor by the Company.

**"Software"** means the Company's ...... [*insert name*] software and all modifications, enhancements and replacements thereof and additions thereto provided by the Company and made available to the Distributor pursuant to this Agreement.

"Software Materials" means the Software and the Product Description.

**"Source Materials"** means all logic, logic diagrams, flowcharts, orthographic representations, algorithms, routines, sub-routines, utilities, modules, file structures, coding sheets, source codes listings, functional specifications, program specifications and all other materials and documents necessary to enable a reasonably skilled programmer to maintain, amend and enhance the software in question without reference to any other person or documentation.

"Support Services" means the software support services provided by the Distributor to the Licensees.

**"Territory"** means ...... [*insert country/countries or region/regions*] for which the Company grants Distributor software exclusivity for the use of the Software.

"Year" means any period of 12 months or any anniversary of the date hereof.

**"Product Keys"** means a unique code composed of ......[insert description of product keys] that allows the Licensees to use the Software once they have signed the Software License Agreement with the Distributor.

#### 2. APPOINTMENT

2.1 The Company hereby appoints the Distributor and the Distributor hereby agrees to act as the exclusive distributor of the Company to distribute the Software Materials via online or offline channels in the Territory. The Company hereby grants to the Distributor during the Term an exclusive right to distribute and sell the Software in the form of ...... [*insert type of software support*] to Licensees within the Territory. Such rights shall be exclusive to the Distributor, and the Company shall not allow any third party to distribute the Software Materials to other users within the Territory.

- 2.2 The Distributor shall not be entitled to assign or sub-contract any of its rights or obligations under this Agreement or appoint any agent to perform such obligations.
- 2.3 The Distributor represents and warrants to the Company that it has the ability and experience to carry out the obligations assumed by it under this Agreement and that by virtue of entering into this Agreement it is not and will not be in breach of any express or implied obligation to any third-party binding upon it.

#### 3. DURATION

This Agreement shall commence on the ......[*insert date*] ("Effective Date") hereof for an initial period of ............[*insert number, usually 5*] years unless terminated earlier as provided in this Agreement. The term of this Agreement will be automatically renewed for .........[*insert number, usually 1*] year on each and every anniversary of the Effective Date unless either party provides a prior written notice to the other party .......[*insert number, usually 30*] calendar days prior to the Effective Date or any following anniversary dates.

.....

This is a sample of the Software Distribution Agreement.

To get more information about this contract click here:

SOFTWARE DISTRIBUTION AGREEMENT

### USER GUIDE

Contracts drafted by the legal experts of Global Negotiator cover all relevant aspects that are negotiated and agreed in the different types of business between companies. However, when these contracts are used you should take into account some recommendations common to all of them that are described in this User Guide.

#### DATE

The date when the contract comes into force is the one that appears in its header, as mentioned in the final paragraphs of the contract, before signatures (This Contract comes into force on the date written above).

In some contracts -for example in the Supply Contract- the date of coming into force is also mentioned in one of the clauses. In these cases, you have to verify that the two dates inserted in the contract (in the heading and in the corresponding clause) are the same, in order to avoid discrepancies.

#### PARTIES

Be sure to insert in the first page of the contract the full details of the Parties:

- When a Party is a company you must insert the following information: legal name, legal form (limited, incorporated, etc.), full address, registration data and fiscal identification number.
- When a Party is an individual that works as independent professional (for example a commercial agent) you must insert the following information: full name, profession, full address and fiscal identification number.

#### CLAUSES

#### Clauses with different alternatives: choose the most favorable

In the most important clauses of each contract (exclusivity, payment terms, applicable law and competent jurisdiction, etc.) several drafting alternatives are proposed so you can choose the most appropriate to each situation. Therefore, the user before submitting the contract to the other Party must choose the alternatives that seem best suited to their interests and eliminate the rest.

#### Clauses with blank spaces to be completed

In several clauses of the contract blank spaces appear with dots (.....) that the user has to complete inserting text. Following the dots, between brackets, you will see the data and explanations to insert the text.

• When the text between brackets is in normal letters (the same as the contract) and separated by "," or the word "o", the user must insert one of the options suggested.

Example of blank space (......) with options to select between brackets:

Orders handled before completion of the present Contract which produce sales transactions within ........ [1, 2, 3, 6] months shall entitle the Agent to receive the corresponding commission. In this case, the user must choose between options 1, 2, 3 or 6 months and insert one in the blank space (......).

• When the text between brackets is in italics the user has to insert the data and information requested and eliminate the bracketed text.

Example of blank space - (.....) to insert text:

Both parties, by mutual consent, resolve to refer any dispute to the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules. The place of arbitration shall be ........... [*city and country*]. In this case, the user must insert in the blank space (......) the city and country chosen to conduct the arbitration and afterward eliminate the bracketed text [city and country].

#### **Notices Clause**

Sometimes it may happen that the official address of the Parties which appear at the beginning of the contract is different from which is to be used for communications between the Parties during the terms of the contract. In this case, the user should include at the end of the contract a Notices Clause.

Example of Notices Clause:

Notices. - In order to comply with their contractual obligations, the Parties establish the following address for the provision of notices related to this contract:

- Party 1	[insert full address].
- Party 2	[insert full address].

#### ANNEXES

The contracts incorporate some Annexes, each of them, referenced to the corresponding Clause. Annexes are drafted in commonly used formats, although the user must adapt these formats and the text inserted in them to each particular situation.

#### SIGNATURES

#### People who sign

Persons signing the contract on behalf of the company must have the authority to do so and preferably, be entitled on the basis of a power of attorney. Below the signature, in addition to the full name of the person that signs his/her position must be inserted. When one of the Parties who signs is a natural person (for example a commercial agent in an Agency Contract) obviously he or she is the person that has to sign the contract.

The laws of some countries require that contracts, to be valid, shall be signed in front of witnesses or a public notary. Therefore, before signing a contract you should be informed about the requirements that may exist in each country.

#### Place and date of signature

Usually, contracts are signed by both Parties on the same date and place. Nevertheless, in international contracts, due to physical distance, it is common that each of the Parties sign in different dates and places. This contract provides for both alternatives so it comes to choosing the most appropriate to each situation.

#### Number of copies

Usually, the Parties sign two copies of the contract, each Party retaining one of them, but can also arise the need to sign more copies. In this case, all you have to do is mention explicitly the number of copies to be signed in the paragraph that is included at the end of the contract (Both Parties declare their conformity to the present contract, which is signed in ..... copies, each of which shall be considered an original).

#### **GENERAL RECOMMENDATIONS**

The Parties must sign all pages of the contract, including Annexes, so they are also valid. It is better to use ball point or pen (not pencil) in a color other than black (e.g.: blue); this makes it easier to distinguish an original document from a photocopy.

It is preferable (although no mandatory) to express sums of money and percentages in words and figures. Of course, the words and figures for a given amount must match exactly. You also must insert the currency in which the amounts are expressed. It is advisable to use the rules establish by ISO that name each currency by three capital letters (EUR for euro, USD for dollar, GBP for sterling pound, JPY for Japanese yen, etc. - you can get the acronyms of every currency in the website www.oanda.com).

Once you have chosen the best alternatives of each clause and have completed the blank spaces you should revise the whole contract to remove remaining paragraphs and correct any errors.

# **BUSINESS CONTRACTS & AGREEMENTS TEMPLATES**

### **BUSINESS CONTRACTS**

- Strategic Alliance Agreement
- Joint Venture Agreement
- Manufacturing Contract

- Supply Contract
- Service Provider Contract
- **Consulting Services Contract**

### **COMMERCIAL CONTRACTS**

- **Exclusive Distribution Contract**
- Commercial Agency Contract
- Sales Representative Agreement

- Sales Commission Contract
- Real State Agent Agreement

### **LICENSE & FRANCHISE CONTRACTS**

- Trademark License Agreement
- Technology Transfer Agreement
- Software License Agreement

- Franchise Contract
- Master Franchise Contract

### **CONFIDENTIALITY CONTRACTS**

- Confidentiality Contract between Companies
- Confidentiality Contract for Product or **Business** Idea
- Confidentiality Contract for Employees •
- Confidentiality Contract for Consultants and Contractors

# SHAREHOLDERS & INVESTORS AGREEMENTS

- Shareholders Agreement for a New Company
- **Business Plan for Investors**
- **Business Proposal for Investors**

**Investors** Agreement

# **BUSINESS SALE AND PURCHASE AGREEMENTS**

- Business Sale and Purchase Agreement .
- Share Sale and Purchase Agreement
- Broker Agreement for the Sale of a Business
- Broker Agreement for the Sale of Shares
- Confidentiality Agreement for Selling a Business
- Disclosure Letter for Selling a Business
- Letter of Intent to Purchase a Business
- Due Diligence Report •
- Due Diligence Checklist •
- Legal Due Diligence

### **Online Purchase**

www.globalnegotiator.com info@globalnegotiator.com



https://www.globalnegotiator.com/en/business-contracts