

## **KEY CLAUSES IN INTERNATIONAL DISTRIBUTION CONTRACTS**

The purpose of an international distribution contract is to establish one or more sales points within a geographical area in a foreign country from which goods and services can be offered to a specific clientele.

This type of contract enables suppliers - i.e. manufacturers of different products - to benefit from existing commercial facilities and to select their trading partners. This commercial contract model also has the advantage of enabling suppliers to impose sales methods and practices associated with their products or brands.

The international distribution contract is a framework agreement, which means that it establishes general obligations for each of the parties over a lengthy period and is supplemented by general conditions of sales which are often annexed to the contract in order to specify the products and/or services in question, prices, delivery arrangements, etc.

There are different models of international distribution contracts made by different companies and organizations whose purpose is to ease the negotiation and agreement between suppliers and distributors. In the website of <a href="International Contracts">International Contracts</a> you can find a model, balanced and according to the regulations governing product distribution in some countries, especially in the European Union.

Below are mentioned and explained briefly the main clauses of the international distribution contracts.

Products and Territory	Specify, in Annexes if necessary, the precise definition of the territory and the supplier's product range to be distributed.
Obligations of the Distributor	Establish the Distributor will take care of distribution in its own name and for its own account. If necessary establish a system of direct sales commissions.
Distribution exclusivity	Mention the commitment or not, to grant the exclusive distributor for the sale of the products in the territory.
Commitment not to compete	Specify the prohibition on sales of competing products and the dealer's obligation to give prior notice of the sale of other products.
Sales Conditions	Establish, usually in an Annex, the terms of sale and the prices of the products.
Resale prices	Declare that the Distributor is free to fix resale prices, but always respecting the product image.



Commitment to inform the Distributor	On the local market situation, regulations, competitors, new products, etc.
Sales objectives	Indicate how to set objectives and establish penalties for non-compliance.
Distribution network	Define the obligations with respect to sales staff, after-sales service, etc.
Sales outside the Territory	Specify the conditions for advertising and selling products outside the territory, especially in contracts for the European Union.
Advertising activities	Mention the need for prior agreement on the advertising budget and cost sharing.
Intellectual property	Set the limits of the right of use of the brands by the Distributor and the prohibition for assignment and registration on his name.
Stocks	Remember the obligation of the Distributor to maintain a sufficient stock of products and the obligations for postsales service.
Term of the Contract	Mention whether the contract has a duration (1, 3, 5 years) or indefinite, and set the notice period.
Early termination	Specify the conditions that justify early termination of the contract and situations that are considered non-compliance.
Compensation for termination of the Contract	Determine if the Distributor is entitled to compensation for customers in the event of early termination.
Arbitration	It is advisable the alternative of arbitration. Opt for the "General Principles of Law" rather than by local country laws.



To obtain the International Distribution Contract, click <a href="here">here</a>.

# INTERNATIONAL CONTRACTS TEMPLATES



## INTERNATIONAL CONTRACTS IN ENGLISH

- International Sale Contract
- International Distribution Contract
- International Commercial Agency Contract
- International Sales Representative Agreement
- Intermediary Contract for Trade Operations
- International Joint Venture Contract
- International Strategic Alliance Agreement
- International Franchise Contract
- International Services Contract
- International Consulting Contract
- International Technology Transfer Agreement
- International Trademark License Agreement

- International Supply Contract
- International Manufacturing Contract
- · International Buying Agent Contract
- Logistics Services Contract
- Export Contract
- Confidentiality Agreement
- Expatriate Contract of Employment
- Memorandum Understanding International distribution
- Memorandum of Understanding for Joint Venture
- Pack 10 Contracts in English
- · Pack All Contracts in English



### INTERNATIONAL CONTRACTS IN SPANISH

- Contrato de Compraventa Internacional
- Contrato de Distribución Internacional
- · Contrato de Agencia Comercial Internacional
- Contrato de Representación Comercial Internacional
- Contrato de Intermediación Comercial Internacional
- Contrato de Joint Venture Internacional
- · Contrato de Alianza Estratégica Internacional
- Contrato de Franquicia Internacional
- Contrato Internacional de Servicios
- Contrato Internacional de Consultoría
- Contrato Internacional de Transferencia de Tecnología
- Contrato Internacional de Licencia de Marca

- Contrato Internacional de Suministro
- · Contrato Internacional de Fabricación
- Contrato de Agente de Compras Internacional
- Contrato de Servicios Logísticos
- Contrato de Exportación
- Contrato de Confidencialidad
- Contrato de Trabajo para Expatriado
- Memorándum Entendimiento Distribución Internacional
- Memorándum de Entendimiento para Joint Venture
- Pack 10 Contratos en Español
- · Pack Todos los Contratos en Español



#### INTERNATIONAL CONTRACTS IN FRENCH

- Contrat de Vente Internationale
- Contrat de Distribution Internationale
- Contrat d'Agent Commercial International
- Contrat de Représentation Commerciale Internationale
- Contrat de Joint Venture Internationale
- Contrat de Franchise Internationale
- Contrat International de Services

- Contrat International d'Approvisionnement
- Contrat International de Fabrication
- Contrat de Confidentialité
- Protocole d'Accord pour Distribution Internationale
- Protocole d'Accord pour Joint Venture Internationale
- Pack Tous les Contrats en Français



#### INTERNATIONAL CONTRACTS IN GERMAN

- Internationaler Kaufvertrag
- Internationaler Vertriebsvertrag
- · Internationaler Handelsvertretervertrag
- Internationaler Vertretungsvertrag
- Internationaler Joint Venture Vertrag
- Internationaler Franchisevertrag
- Internationaler Dienstleistungsvertrag

- Internationaler Liefervertrag
- Internationaler Herstellungsvertrag
- · Geheimhaltungsvereinbarung
- Absichserlärung Internationalen Vertriebsvertrag
- · Absichserlärung Joint Venture
- Pack Alle Verträge in Deutscher

