**COMMERCIAL REPRESENTATION AND DISTRIBUTION AGREEMENTS**

*Frequently Asked Questions*

1. ***What is the difference between a Commercial Representative and a Distributor?***

* A MANE Commercial Representative is appointed to assist for the promotion and sale of MANE’s products (fragrances/ flavours/ ingredients), within a limited territory (country, region, city…) for a specific market (fragrance/ flavour for the food/ cosmetic/ personal care/ home care, and less frequently, in fine fragrance, pharmaceutical, tobacco, pet food, and oral care industries), and grow MANE’s direct sales accordingly.
* A MANE Distributor is appointed to resell “as is” some of MANE’s products (fragrances/ flavours/ ingredients), within a limited territory (country, region, city…) for a specific market (fragrance/ flavour for the food/ cosmetic/ personal care/ home care, and less frequently, in fine fragrance, pharmaceutical, tobacco, pet food, and oral care industries) to its own customers.

1. ***What is the difference between a Commercial Representative and an Agent?***

An Agent is entitled to negotiate selling prices on behalf of the company it represents, while a Commercial Representative is not. MANE does not appoint Agents, only Commercial Representatives.

1. ***Does Commercial Representative or Distributor have to meet any sales target?***

YES, necessarily if it is appointed on an exclusive basis.

1. ***Can we pay a commission to a Distributor?***

NO. A Distributor makes profit out of its own sales as opposed to a Commercial Representative whichreceives a commission-based compensation from MANE for its services.

1. ***What does it mean granting exclusivity to a Distributor or a Commercial Representative?***

It prevents MANE from appointing any other Distributor or Commercial Representative of the Products in the Territory in the Market.

1. ***Can MANE determine the selling price of MANE products from a Distributor?***

NO. Distributor must remain free to establish its prices and discounts for the Products and related services, with the goal of maximizing the competitiveness of the products and preserving the reputation of MANE. At MANE’ request, the Distributor will inform MANE about these prices and discounts and any planned change thereof.

1. ***Can we conclude a single agreement covering both Flavour and Fragrance segment for the same Commercial Representative or Distributor?***

It is always advisable to have two agreements for two different segments (flavour and fragrance) for the same Commercial Representative or Distributor. This gives the advantage of termination rights to MANE. If Commercial Representative or the Distributor is unable to meet the sales target for flavour but achieve the target for fragrance, then MANE can terminate the flavour agreement only and retain the fragrance agreement.

1. ***Why do we need to exclude certain customers from the scope of Commercial Representation or Distribution agreement?***

The customers excluded from the scope of a Commercial Representation or Distribution agreement are MANE reserved customers who pursue their existing business relationships directly with MANE without compensation for a Commercial Representative and cannot be considered Distributor’s own customers. The list of such excluded/reserved customers should be reviewed/updated by MANE and the Commercial Representative or Distributor at the end of each calendar year and modified as the case maybe through an amendment to the Agreement.

1. ***Can a Commercial Representative/ Distributor use MANE’s trademark?***

* Commercial Representative cannot use MANE’ trademark without MANE’s prior written approval.
* Distributor has no rights connected with MANE trademark other than those which are strictly necessary to the marketing and sale of the products.

1. ***Can a Commercial Representative/ Distributor further sub-contract?***

NO, sub-contracting is excluded.

1. ***What information do we need to provide to Legal & IP Department?***

After you determine the form of contract, you will be required to fill in and send the request form with complete information to Legal & IP Department to provide you the contract draft. Forms for [Distribution](https://mosscorp.emea.sesam.mane.com/LegalIP/Legal/Contracts%20forms%20distribution/Form_distribution%20agreement.doc) or [Commercial representation](https://mosscorp.emea.sesam.mane.com/LegalIP/Legal/Contracts%20forms%20agency/form_commercial%20representation%20agreement.docx) are available on Sharepoint.