**REVISED INTERNATIONAL DISTRIBUTION AGREEMENT**

THIS AGREEMENT is made and entered into as of [Effective Date] by and between:

**\OWNER**: [Owner's Full Legal Name], a company incorporated under the laws of [Country] and having its principal office at [Address] (hereinafter referred to as "OWNER");

AND

**DISTRIBUTOR**: [Distributor's Full Legal Name], a company incorporated under the laws of [Country] and having its principal office at [Address] (hereinafter referred to as "DISTRIBUTOR").

**WHEREAS:**

1. OWNER is the manufacturer of the Product(s) and seeks to distribute its products in the Territory;
2. DISTRIBUTOR has an extensive sales network and wishes to distribute OWNER’s products in the Territory;
3. The parties agree to collaborate on a distribution arrangement under the following terms and conditions.

**1. DEFINITIONS**

1.1 "Exclusive Territory" means the country of [Specify Country]. OWNER retains the right to appoint additional distributors if DISTRIBUTOR fails to meet sales performance obligations.

1.2 "Minimum Annual Performance Requirements" means the mutually agreed-upon sales targets outlined in **Schedule B**.

1.3 "Net Sales" means the total revenue generated from sales of the Products, excluding taxes, shipping, and returns.

**2. DISTRIBUTION RIGHTS**

2.1 OWNER grants DISTRIBUTOR the **exclusive** right to distribute the Product(s) in the Territory **subject to performance conditions** outlined in **Schedule B**.

2.2 OWNER **retains the right to revoke exclusivity** if DISTRIBUTOR fails to meet sales targets for two consecutive quarters, upon 60 days' written notice.

2.3 DISTRIBUTOR shall **not distribute competing products** without OWNER’s written consent.

**3. PRICING & PAYMENT TERMS**

3.1 **Payment Structure:**

* 50% deposit upon order placement.
* 50% balance payable **30 days after shipment**.
* Late payments shall incur interest at **prime + 5%** per annum.

3.2 **Price Adjustments:** OWNER retains the right to adjust pricing with **30 days' notice**, provided the increase does not exceed **5% per annum** unless justified by external factors (e.g., inflation, raw material costs).

3.3 **Currency & Payment Method:** All payments shall be made in **U.S. dollars** via wire transfer.

**4. SALES PERFORMANCE REQUIREMENTS**

4.1 DISTRIBUTOR shall meet the Minimum Annual Performance Requirements set in **Schedule B**.

4.2 If DISTRIBUTOR does not meet the targets, OWNER may: (a) Reduce exclusivity to a **non-exclusive** arrangement; or  
(b) Terminate this Agreement with **90 days' notice** if underperformance persists.

4.3 DISTRIBUTOR may request **flexibility** in targets in cases of documented market conditions, regulatory delays, or unforeseen economic factors.

**5. PRODUCT REGISTRATION & INTELLECTUAL PROPERTY**

5.1 **Product Registration:**

* OWNER retains ownership of all product registrations.
* DISTRIBUTOR shall cover initial registration costs and shall be reimbursed **after three years** of successful market operations.
* If the Agreement is terminated, DISTRIBUTOR must **transfer registrations back** to OWNER at no cost.

5.2 **Trademarks & Branding:**

* DISTRIBUTOR shall **not modify OWNER’s trademarks or branding** without written approval.
* Upon termination, DISTRIBUTOR shall cease using all OWNER trademarks within **30 days**.

**6. MARKETING & ADVERTISING**

6.1 DISTRIBUTOR shall allocate **at least 5% of annual sales revenue** towards marketing efforts in the Territory.

6.2 All marketing materials shall require **prior written approval** from OWNER.

6.3 OWNER may provide a **marketing allowance**, subject to performance evaluation.

**7. RISK & LIABILITY**

7.1 **Risk Transfer:** Risk shall transfer to DISTRIBUTOR **upon delivery at DISTRIBUTOR’s warehouse**, not at OWNER’s warehouse.

7.2 **Insurance:** DISTRIBUTOR shall obtain insurance for shipment, warehousing, and distribution risks.

7.3 **Liability Limitation:** OWNER’s liability shall be limited to the cost of replacing defective products. OWNER shall not be liable for **indirect, incidental, or consequential damages**.

**8. TERMINATION & POST-TERMINATION OBLIGATIONS**

8.1 Either party may terminate this Agreement with **180 days’ notice**.

8.2 OWNER may terminate with **60 days’ notice** if:

* DISTRIBUTOR **fails to meet sales targets for two consecutive years**.
* DISTRIBUTOR engages in unauthorized sales outside the Territory.
* DISTRIBUTOR breaches confidentiality or intellectual property terms.

8.3 **Post-Termination Inventory Handling:**

* OWNER has the first right to **buy back remaining stock at cost**.
* If OWNER declines, DISTRIBUTOR may sell stock **within 6 months post-termination**.

**9. DISPUTE RESOLUTION**

9.1 All disputes shall be resolved through **binding arbitration in [Neutral Jurisdiction]**.

9.2 The governing law shall be **[Neutral Jurisdiction]**, and all proceedings shall be conducted in **English**.

**10. MISCELLANEOUS**

10.1 **Confidentiality:** DISTRIBUTOR shall not disclose OWNER’s business secrets, pricing, or marketing strategies for **5 years post-termination**.

10.2 **Assignment:** DISTRIBUTOR may not assign this Agreement without OWNER’s **written consent**.

10.3 **Force Majeure:** Neither party shall be liable for failure to perform due to causes beyond their control (e.g., natural disasters, war, regulatory bans).

**SIGNATURES**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**OWNER:**  
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**DISTRIBUTOR:**  
By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULES**

* **Schedule A:** Product List & Pricing
* **Schedule B:** Minimum Annual Performance Requirements