

DISTRIBUTION AGREEMENT

Location: _____ Date: _____

Parties:

Supplier Name: _____

Supplier Address: _____

Distributor Name: _____

Distributor Address: _____

Definitions:

“Products” means the goods supplied by the Supplier to the Distributor under this Agreement. “Territory” means the geographic area in Canada where the Distributor is authorized to sell the Products. “Effective Date” means the date of execution of this Agreement by the Parties.

1. Appointment and Acceptance

Supplier appoints Distributor as its non-exclusive authorized distributor of the Products in the Territory, and Distributor accepts such appointment subject to the terms and conditions of this Agreement.

2. Term and Termination

This Agreement shall commence on the Effective Date and shall continue for an initial term of one (1) year, unless terminated earlier in accordance with this Agreement. Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. Termination shall not affect accrued rights or obligations.

3. Distributor Obligations

Distributor shall use reasonable efforts to promote, market, and sell the Products within the Territory in accordance with Supplier’s policies and instructions. Distributor shall maintain adequate inventory, provide timely customer support, and comply with all applicable laws and regulations. Distributor shall not sell the Products outside the Territory without prior written consent of Supplier.

4. Supplier Obligations

Supplier shall supply Products to Distributor in accordance with agreed prices, terms, and conditions. Supplier shall provide reasonable marketing materials and product information to Distributor and shall notify Distributor of any changes to Products or pricing.

5. Prices and Payment

Prices for Products sold to Distributor shall be as set forth in Supplier’s price list, as amended from time to time. Payment terms shall be thirty (30) days net from the date of invoice, unless otherwise agreed in writing. Late payments shall bear interest at the legal rate permitted under Canadian law.

6. Intellectual Property

Supplier grants Distributor a non-exclusive, non-transferable license to use Supplier's trademarks, trade names, and logos solely in connection with the promotion and sale of Products under this Agreement. Distributor acknowledges that all intellectual property rights remain with Supplier.

7. Confidentiality

Each party agrees to keep confidential and not disclose to any third party any Confidential Information received from the other party, except as required by law or with prior written consent. This obligation shall survive termination of this Agreement.

8. Warranties and Disclaimers

Supplier warrants that the Products supplied shall conform to the specifications and be free from defects in material and workmanship. EXCEPT AS EXPRESSLY PROVIDED, SUPPLIER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. Limitation of Liability

IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED ON CONTRACT, TORT, OR OTHER LEGAL THEORY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SUPPLIER'S TOTAL LIABILITY SHALL NOT EXCEED THE AMOUNTS PAID BY DISTRIBUTOR UNDER THIS AGREEMENT.

10. Compliance with Laws

Each party shall comply with all applicable federal, provincial, and municipal laws, regulations, and ordinances in the performance of its obligations under this Agreement.

11. Force Majeure

Neither party shall be liable for failure or delay in performance due to causes beyond its reasonable control, including but not limited to acts of God, war, terrorism, civil unrest, labor disputes, or governmental actions. The affected party shall notify the other promptly and resume performance as soon as feasible.

12. Indemnification

Each party agrees to indemnify, defend, and hold harmless the other party from and against any claims, losses, liabilities, damages, or expenses arising out of its breach of this Agreement, negligence, or willful misconduct.

13. Independent Contractors

The relationship between Supplier and Distributor is that of independent contractors. Nothing in this Agreement shall be construed to create a partnership, joint venture, or agency relationship.

14. Assignment

Distributor shall not assign or transfer its rights or obligations under this Agreement without Supplier's prior written consent, which shall not be unreasonably withheld.

15. Notices

All notices under this Agreement shall be in writing and shall be deemed given when delivered personally, sent by nationally recognized overnight courier, or mailed by registered or certified mail, postage prepaid, to the addresses set forth above or such other address as designated by a party by notice.

16. Governing Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to conflict of law principles. The parties consent to the exclusive jurisdiction of the courts located in Toronto, Ontario for any disputes arising under this Agreement.

17. Entire Agreement; Amendments

This Agreement, including any attachments or schedules, constitutes the entire agreement between the parties concerning its subject matter and supersedes all prior agreements, understandings, and communications. Any amendments or modifications must be in writing and signed by both parties.

18. Severability

If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect, and the invalid provision shall be replaced by a valid provision that most closely reflects the parties' original intent.

19. Waiver

Failure or delay by either party to enforce any right or remedy under this Agreement shall not constitute a waiver of such right or remedy or any other rights.

20. Counterparts and Electronic Signatures

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed to have the same legal effect as original signatures.

SUPPLIER'S SIGNATURE

DISTRIBUTOR'S SIGNATURE

Signature: _____

Signature: _____

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