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## COMMISSIONNAIRE AGREEMENT

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BETWEEN

[full legal name entity 1]

AND

[full legal name entity 2]

DATED

[date, year]

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# COMMISSIONNAIRE AGREEMENT

This Commissionnaire agreement ("**the Agreement**") is considered a written confirmation of what has been agreed as from [date, year] ("**Effective Date**"),

## BETWEEN

1. [full legal name entity 1], a company established under the laws of [country] and having its registered office at [full address], [country], duly represented by [full name and function], hereinafter referred to as "**Principal**";

## AND

2. [full legal name entity 2], a company established under the laws of [country] and having its registered office at [full address], [country], duly represented by [full name and function], hereinafter referred to as "**Commissionnaire**";

Jointly hereinafter referred to as "**Parties**"

## PRELIMINARY STATEMENTS

1. Principal is a company engaged in the business of manufacturing and selling [insert description of products] which it proposes to sell within the Territory (as hereinafter defined);
2. Principal believes that, in order to develop the sales of the Products (as hereinafter defined) in the Territory, it will require the assistance of a commissionnaire which will act in its own name but for Principal's account and economic risk, without disclosing nor binding Principal;
3. Commissionnaire represents that it has the willingness and capability to act as a commissionnaire for Principal;
4. Parties have discussed in sufficient detail the effectiveness of the organization to meet the objectives set forth in this Agreement, the related costs and the commission, and have verified the reciprocal benefit pursuant to the signing of this Agreement;
5. Consequently, Principal and Commissionnaire desire to enter into an agreement for an indefinite term subject to the terms and conditions set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, PRINCIPAL AND COMMISSIONNAIRE AGREE AS FOLLOWS:

## Article 1 Definitions

1. For the purpose of this Agreement, the following terms shall have the meaning assigned to them below unless the context requires otherwise:

- a) Affiliated Company means any corporation or other entity which is controlled by, or under common control with, the indicated Party thereto.
- b) Annual Forecast means a written report of Commissionnaire to Principal specifying the information set forth in article 3.3.
- c) Bank Account means an account established with a bank designated by the Principal which shall be in the name of the Commissionnaire for receipt of Customer payments.
- d) Commissions means the compensation owed by Principal to Commissionnaire pursuant to this Agreement.
- e) Confidential Information means any information disclosed by one Party to the other Party pursuant to this Agreement which is written, graphic, machine readable, or in other tangible form and is marked "Confidential," "Company Secret," or disclosed under such circumstances which indicate that information is confidential. Confidential Information may also include secret and confidential oral information disclosed by one Party to the other Party pursuant to this Agreement.
- f) Customer means any customers to which Commissionnaire sells Products on behalf of Principal pursuant to this Agreement.
- g) Customer Specifications means any and all requirements, directions, criteria, procedures and other specifications established by Principal and furnished to Commissionnaire from time to time concerning the selection of customers to which Commissionnaire is authorized to market the Products and terms for the sale of Products on credit. The Customer Specifications may specifically identify some, all or none of the customers.
- h) Duties shall mean all customs payments, excise taxes and other governmental levies on imports, but excluding value added taxes.
- i) Effective Date means the date first hereinabove written.
- j) Gross Sale shall mean gross sale price as reported on the invoice to the Customer.
- k) Intellectual Property Rights means the Trademarks and other intellectual property rights covering or associated with the Products.

respect to a claim against Principal or any claim Principal may make, threaten, or bring, in the Territory with respect to the activities of Commissionnaire under this Agreement and all negotiations for settlement of such claims. Principal, upon admitting its obligation to indemnify, may elect to assume sole control of the claim.

4. In the event that the Principal incurs any loss, damage, cost or expense arising from Commissionnaire's gross negligence or willful misconduct in Commissionnaire's performance of its duties under this Agreement, Principal shall be entitled to pursue available legal remedies against Commissionnaire to recover the actual losses, damages, costs or expenses incurred by Principal.
5. All financial, legal and other obligations associated with Commissionnaire's own ordinary course of business other than its activities as Commissionnaire under this Agreement are the sole responsibility of Commissionnaire except as provided in this Agreement.

## **Article 12 Term and Termination**

1. This Agreement is entered into for an indefinite period of time.
2. Either Party may terminate this Agreement at any time, upon sixty (60) days written notice.
3. Notwithstanding the provisions of Sections 12.1 and 12.2, either Party may terminate this Agreement at any time with immediate effect, upon written notice to the other Party and without incurring any liability to the other Party:
  - a) in the event of filing a petition in bankruptcy or the suspension of payments of the other Party, liquidation or composition with creditors of the other party, and in case of attachment maintained for at least one (1) month in respect of substantial assets of the other Party;
  - b) in the event the other Party becomes insolvent or unable to pay its debts as they mature or cease to pay its debts as they mature in the ordinary course of business or makes an assignment for the benefits of its creditors;
  - c) in the event the other Party fails to perform any material obligations under this Agreement after having been notified of such default and has not cured the default within a reasonable period;
  - d) in the event of a change of control of Commissionnaire.

## **Article 13 Obligations on Termination**

1. Upon termination of this Agreement, the Commissionnaire shall:

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT, TO BE EFFECTIVE AS OF THE EFFECTIVE DATE.

[full legal name of legal entity 1]

[full legal name of legal entity 2]

\_\_\_\_\_

Signed by  
Name:  
Title:  
Date:

\_\_\_\_\_

Signed by  
Name:  
Title:  
Date:

DRAFT