

DROPSHIPPING AGREEMENT

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This Dropshipping Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[SUPPLIER LEGAL NAME], a [STATE] [ENTITY TYPE] with its principal place of business at [SUPPLIER ADDRESS] ("**Supplier**"); and

[RETAILER LEGAL NAME], a [STATE] [ENTITY TYPE] with its principal place of business at [RETAILER ADDRESS] ("**Retailer**").

Supplier and Retailer are each a "**Party**" and together the "**Parties**."

Recitals. Retailer markets and sells products to end customers through its own storefront and channels but does not hold inventory of the products described below. Supplier holds inventory of those products and is willing to fulfill orders by shipping them directly to Retailer's customers (a "**dropship**" arrangement). The Parties wish to record the terms of that arrangement. In consideration of the mutual promises below, the Parties agree as follows.

1. Products and the Dropship Arrangement

1.1 Products. Supplier will make available for dropship the products described in [EXHIBIT A / "the product catalog and feed Supplier maintains"], as updated from time to time (the "**Products**").

1.2 Roles. Retailer markets and sells the Products to end customers (each, a "**Customer**") under Retailer's own brand and terms. Supplier fulfills orders by shipping Products directly to Customers. Supplier does not contract with or sell to Customers; the sale to each Customer is made by Retailer.

1.3 Non-exclusive. This Agreement is non-exclusive. Each Party may work with other partners unless Section 1.5 states an exclusive arrangement.

1.4 Product data. Supplier will provide accurate Product descriptions, images, specifications, and current stock and pricing information (a "**Feed**"). Retailer may use the Feed solely to market and sell the Products and will keep its listings consistent with the Feed.

1.5 Exclusivity (optional). [OPTIONAL: Describe any exclusive products, territory, or channel here, or state "None."]

2. Orders and Fulfillment

2.1 Order submission. When a Customer places an order, Retailer will transmit the order to Supplier through [METHOD: API / portal / email], including the Products, quantities, ship-to address, and any shipping selection.

2.2 Acceptance and stock. Supplier will confirm acceptance and stock availability within [NUMBER, e.g. 1 business day]. If a Product is out of stock, Supplier will notify Retailer promptly so Retailer can handle the

Customer.

2.3 Fulfillment time. Supplier will pick, pack, and ship accepted orders within [NUMBER, e.g. 2 business days] and will provide tracking information to Retailer on shipment.

2.4 Carriers and shipping. Supplier will ship by [CARRIERS / methods] to the destinations and within the timeframes stated in [EXHIBIT B / "the service levels below"]. Supplier will use reasonable efforts to meet estimated delivery windows.

2.5 Blind shipping and branding. Supplier will ship on a "blind" basis, meaning packages and packing slips will show [Retailer's branding and return address / no Supplier branding] and will not include Supplier marketing or pricing, except as the Parties agree in writing.

2.6 Risk and title. Title to the Products passes from Supplier to Retailer and immediately to the Customer at the moment of shipment, except as the Parties agree otherwise. Risk of loss in transit is handled under Section 5.

3. Pricing and Payment

3.1 Wholesale price. Retailer will pay Supplier the wholesale price for each Product as set out in [EXHIBIT A], plus any agreed fulfillment and shipping fees. Retailer sets its own retail prices to Customers and keeps the margin.

3.2 Price changes. Supplier may change wholesale prices and fees on [NUMBER, e.g. 30] days' prior written notice. Changes do not apply to orders already accepted before they take effect.

3.3 Billing and payment. Supplier will invoice Retailer [per order / weekly / monthly]. Retailer will pay each undisputed invoice within [NUMBER, e.g. 15] days of the invoice date by [METHOD], or the Parties may use a prepaid balance or per-order charge as described in [EXHIBIT A].

3.4 Taxes. Each Party is responsible for the taxes the law assigns to it. Retailer is responsible for collecting and remitting any sales tax it owes on sales to Customers; Retailer will provide a valid resale or exemption certificate where applicable. The Parties will cooperate on tax documentation and reporting.

3.5 Late payment. Undisputed amounts not paid when due accrue interest at the lesser of [e.g. 1.5%] per month or the maximum rate permitted by applicable law. Supplier may suspend fulfillment if undisputed invoices remain unpaid past their due date.

4. Inventory, Stock, and Accuracy

4.1 Stock updates. Supplier will keep the Feed reasonably current so Retailer can avoid selling out-of-stock Products. Supplier will notify Retailer promptly of discontinued Products.

4.2 Oversell handling. If a Product is sold but cannot be fulfilled, the Parties will [cancel and refund the Customer / offer a substitute / backorder] as Retailer directs, and neither Party will charge the other for the unfulfillable order beyond actual costs incurred.

4.3 Product accuracy. Supplier is responsible for the accuracy of the Product data it provides. Retailer is responsible for how it presents and prices the Products in its own listings.

5. Returns, Defects, and Customer Service

5.1 Customer service. Retailer is the Customer's point of contact and handles front-line Customer service, billing, and communications. Supplier will support Retailer with order status, tracking, and fulfillment issues.

5.2 Returns and refunds. Returns are handled under the policy in [EXHIBIT C / "the returns policy below"]. Supplier will accept returns of [defective / wrong / damaged] items and issue a credit or replacement to Retailer; Retailer handles refunds to the Customer.

5.3 Damaged or lost shipments. Supplier is responsible for shipments damaged or lost in transit due to packing or carrier handling and will replace or credit the affected order, unless the loss results from an incorrect address provided by the Customer or Retailer.

5.4 Defective products. Supplier is responsible for Product defects and will replace or credit defective Products consistent with the warranty in Section 6.

6. Warranties and Compliance

6.1 Product warranty. Supplier warrants that the Products will, at shipment, conform to the Feed descriptions, be free from material defects in materials and workmanship, and be lawful to sell in the destination market.

6.2 Disclaimer. Except for the express warranties in this Section, Supplier disclaims all other warranties, express or implied, including merchantability and fitness for a particular purpose, to the fullest extent permitted by applicable law.

6.3 Regulatory compliance. Supplier represents the Products and their packaging and labeling comply with applicable safety, labeling, and import regulations. Retailer represents its marketing and listings comply with applicable advertising and consumer-protection law and will not overstate Product claims beyond the Feed.

6.4 Authenticity. Supplier warrants the Products are genuine and not counterfeit and that Supplier has the right to sell them.

7. Intellectual Property and Data

7.1 Trademark license. Supplier grants Retailer a limited, non-exclusive, non-transferable license to use Supplier's Product images and descriptions solely to market and sell the Products. Retailer grants Supplier a limited license to use Retailer's branding solely to fulfill orders on a blind-ship basis.

7.2 Customer data. Customer data belongs to Retailer. Supplier will use Customer data (including ship-to information) only to fulfill orders and provide support, will not market to Customers, and will protect the data using reasonable safeguards consistent with applicable privacy law.

8. Term and Termination

8.1 Term. This Agreement begins on the Effective Date and continues until terminated under this Section.

8.2 Termination for convenience. Either Party may terminate for convenience on [NUMBER, e.g. 30] days' prior written notice.

8.3 Termination for cause. Either Party may terminate immediately on written notice if the other materially breaches and fails to cure within [NUMBER, e.g. 15] days after written notice, or becomes insolvent.

8.4 Effect of termination. On termination, Supplier will fulfill orders already accepted, Retailer will pay all amounts owed and remove Supplier's Product listings within [NUMBER] days, and each Party will return or destroy the other's confidential materials on request.

9. Limitation of Liability and Indemnification

9.1 **Exclusion of indirect damages.** Neither Party is liable for indirect, incidental, special, consequential, or punitive damages, or for lost profits, even if advised of the possibility, except for breach of Section 7.2 or a Party's indemnification obligations.

9.2 **Liability cap.** Except for the excluded matters in Section 9.3, each Party's total aggregate liability will not exceed the amounts paid or payable between the Parties in the [NUMBER, e.g. 12] months before the event giving rise to the liability.

9.3 **Exclusions.** The limitations do not apply to a Party's indemnification obligations, breach of data-protection obligations, gross negligence or willful misconduct, or amounts owed for Products shipped.

9.4 **Indemnification.** Supplier will indemnify Retailer against third-party claims arising from Product defects, infringement, or Supplier's regulatory non-compliance. Retailer will indemnify Supplier against third-party claims arising from Retailer's marketing, listings, or sale terms in breach of this Agreement or law. The indemnified Party will give prompt notice and reasonable cooperation.

10. General Provisions

10.1 **Independent contractors.** The Parties are independent contractors. Nothing creates a partnership, joint venture, agency, or employment relationship.

10.2 **Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

10.3 **Assignment.** Neither Party may assign this Agreement without the other's prior written consent, except to a successor in a merger or sale of substantially all assets, on written notice.

10.4 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

10.5 **Entire agreement; amendment.** This Agreement, with its exhibits, is the entire agreement between the Parties on its subject. It may be amended only by a writing signed by both Parties.

10.6 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

SUPPLIER	RETAILER
Signature: _____	Signature: _____
Printed name: [NAME]	Printed name: [NAME]
Title: [TITLE]	Title: [TITLE]
Date: _____	Date: _____
_____	_____

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