

Commercial Contract

Agreement for the Storage of Agricultural Produce



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

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Legal Services, SMEDA-PUNJAB

The Legal Services (LS) is a part of Punjab Office of the Small Medium Enterprises Development Authority (SMEDA) and plays an important role in providing an overall facilitation and support to the small and medium businesses for information dissemination among the SMEs on the existing legal & regulatory environment and business to business and business to client contracting is of paramount importance and plays an important role in their sustainable development.

The Need for Commercial Contracts Templates

In an increasingly complex and competitive industry, it is vital that suppliers and purchasers are fully protected against legal and commercial risks. To counter such risks, a viable solution; available as of the shelf commercial contract templates will provide the users with ready to use support. With obligations properly set out and liabilities accurately defined, the users will be in a far better position to look after their rights and interests and move forward from their marginalized positions to being active players of the economy. The Legal Service Providers can equally take benefit of these templates for their professional and business development.

Disclaimer

The information contained in this template is meant to facilitate the businesses in documenting transactions. However, SMEDA, accepts no responsibility and expressively disclaim any and all liabilities for any and all losses/shortfalls caused by or motivated by recommendations from the information contained within this document. Although SMEDA's ambition is to provide accurate and reliable information; yet, the document is not an alternative to expert legal advice and should ideally be used in conjunction with the same. Any person using this document and or benefiting from the information contained herein shall do so at his/her own risk and costs and be deemed to have accepted this disclaimer.

All information contained in this document may be freely used provided that relevant acknowledgement is accurately quoted with each usage.

Agreement for the Storage **of** **Agricultural Produce**

This Agreement is executed at (Place) ----- on this (Day) -----
----- of (Month) ----- (Year) -----.

Between

1. Mr./Ms -----S/O-----R/O-----
-----having CNIC #-----

And

2. Mr./Ms -----S/O-----R/O-----
-----having CNIC #-----

1. Party A, deals in storage of agricultural produce and rendering services of the storage of agricultural produce (hereinafter called Party A).

And

2. Party B, is a farmer (hereinafter called Party B).

WHEREAS, the party B desires to get the services of party A for the storage of his/her agricultural produce (name of the commodity).

NOW THEREFORE, Parties involved in this agreement are desirous of entering in the storage of agricultural produce (specify the commodity legally allowed to be stored under the prevailing laws and not prohibited) agreement in consideration of the mutual promises contained herein, the parties, intending to be legally bound, agree as follows:

1. Description of Agricultural Produce (Name of the Commodity):

1.1 Type and Quantity: Party A agrees to store [Type of commodity] with a quantity of [Quantity] bushels or kg(s) (or [Weight] pounds) at Party A's storage facility (the "Facility" situated at -----).

1.2 Specification of Item(s): The agricultural produce (name of the commodity) to be stored shall be of the following specification: [Specify Quality Standards, e.g., grade, moisture content etc.,].

2. Term of Storage:

The storage period shall commence on the [Effective Date] and shall continue until [End Date] unless terminated earlier as per the terms of this Agreement. This agreement may be extended (if required) with the mutual consent of both the parties in writing.

3. Storage Charges:

3.1 Charges: Party B agrees to pay Party A for the storage services provided as follows: [Specify charges, e.g., Rs. ----- per bushel Rs. -----, per month].

3.2 Additional Services: Party A shall pay additional charges for any special services requested, such as drying, fumigation, cold storage or handling, as mutually agreed upon in writing.

4. Insurance:

4.1 Insurance Responsibility: Party [A/B] shall be responsible for insuring the stored commodity against loss or damage during the storage period as per mutually agreed terms and conditions in writing.

4.2 Coverage: The insurance coverage shall include protection against risks such as fire, theft, and natural disasters.

5. Delivery and Retrieval:

5.1 Delivery: Party B shall deliver the commodity to the storage Facility on or before the Effective Date.

5.2 Retrieval: Party A may retrieve the stored commodity by providing Party B with [Notice Period] notice in writing.

6. Force Majeure:

Neither party shall be liable for any failure or delay in performing its obligations under this agreement due to circumstances beyond its control, including but not limited to acts of God, Government actions, or natural disasters.

7. Termination:

This agreement may be terminated by either party with [Notice Period] written notice to the other party if either party breaches a material term of this Agreement.

8. Governing Law:

This agreement shall be governed by and construed in accordance with the laws of [Province/Country], without regard to its conflict of law principles and the stored commodity is legally allowed to be stored as per the law for the time being enforced.

9. Entire Agreement:

This agreement constitutes the entire understanding between the parties and supersedes all prior agreements or understandings, whether oral or written.

8. Amendment and Waiver: -

No amendment, supplement or modification of or to any provision of this agreement or any of the other agreements referred to herein, or any waiver of any such provision or consent to any departure by any party from the terms of any such provision shall be effective unless agreed in writing.

10. Expenses: -

Each party shall pay its own costs and disbursements of and incidental to this agreement and the transactions contemplated hereunder.

10. Taxation: -

Every partner shall be responsible for his/her any applicable taxes in relation to this agreement.

11. Arbitration:-

In case of dispute the matter shall be decided mutually or through arbitration.

12. Effective Date

This deed of agreement shall be effective from the date -----day----month----year.

IN WITNESSES WHERE OF THE PARTIES HAVE SET THEIR HANDS ON THIS -----DAY -----MONTH, ----- YEAR AT -----PLACE

**For and on behalf of the
Party A**

Signature: _____

Name: _____

CNIC / Passport # _____

**For and on behalf of the
Party B**

Signature: _____

Name: _____

CNIC / Passport # _____

WITNESS # 1

Signature: _____

Name: _____

CNIC / Passport # _____

WITNESS # 2

Signature: _____

Name: _____

CNIC / Passport # _____