

Commercial Contract

AGREEMENT FOR SALE OF ALLOTMENT RIGHTS



*Empowered lives.
Resilient nations.*



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

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Pro-Gole (Right to do Business)

Legal Services, B&SDS

LEGAL SERVICES, SMEDA

The Legal Services (LS) department is a part of Business & Sector Development Services Division of the Small Medium Enterprises Development Authority and plays a key role in providing an overall facilitation and support to the small businesses. The LS believes that information dissemination among the small businesses on the existing legal & regulatory environment and business to business and business to client contracting is of paramount importance and plays a pivotal role in their sustainable development.

In order to facilitate small businesses, the LS, under the Pro-GOLE (Right to do business) project, a joint SMEDA-UNDP initiative for supporting the small businesses, has developed user-friendly contract templates.

Pro-GOLE, (Right to do Business)

The UNDP has partnered with the Small and Medium Enterprises Development Authority to initiate and execute the Pillar 4 (Right to do business) component of the UNDP PRO-GOLE project which seeks to enhance the legal awareness and mobility of marginalized/ informal businesses. Under the project legal services outreach shall be extended to small businesses including home based enterprises, small shopkeepers, growers, women entrepreneurs, hawking vendors etc. In addition, small business shall be mobilized to access legal services.

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 first class 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 with reference to real estate matters. However, SMEDA, UNDP or any of their employees or representatives accept no responsibility and expressly 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.

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

4. AGREEMENT FOR SALE OF ALLOTMENT RIGHTS

THIS AGREEMENT FOR SALE OF ALLOTMENT RIGHTS (hereinafter referred to as the "Agreement") is being made at _____ (insert place), on this ____ (insert date) day of _____ (insert month), 20__ (insert year) for the sale of allotment rights in property measuring _____ (insert measurement) described as Property No. ____ (insert property number), situated at _____ (insert complete address) (hereinafter to be referred to as the "Property")

BY AND BETWEEN:

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number];

OR

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

(hereinafter referred to as the "Seller", which expression shall, wherever the context so provides, include its heirs, assigns, nominees and agents)

AND

Mr/Mrs/Ms [insert Name], son/wife/daughter of [insert Name], r/o [insert Address] CNIC # [insert Number];

OR

M/s [insert Name], a public/private company incorporated under the Companies Ordinance, 1984, having its registered office at [insert Address] through its [insert Designation], Mr/Mrs/Ms [insert Name];

OR

M/s [insert Name], a partnership concern of Mr/Mrs/Ms [insert Name] and Mr/Mrs/Ms [insert Name], having its place of business at [insert Address] through its Partner, Mr/Mrs/Ms [insert Name];

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(Hereinafter referred to as the "Buyer", which expression shall, wherever the context so provides, include its heirs, assigns, nominees and agents.)

(The Seller and the Buyer are hereinafter collectively referred to as the "Parties", and individually as the "Party").

WHEREAS, the Seller is the owner of allotment rights in the Property, having acquired through [description of document] along with construction/s, buildings, fixtures/installations thereon, (present or future) bounded as under:

North:

South:

East:

West:

AND WHEREAS the Seller is the absolute owner of allotment rights in the Property.

AND WHEREAS the Seller further affirms and confirms that it possess full rights to transfer the allotment rights in the said Property to the Buyer by means of a sale deed, and that there is no defect in the title of the seller regarding allotment rights in the said Property.

AND WHEREAS the Seller further affirms and confirms that the allotment rights in the Property are also free from all sorts of litigation, claims, agreements to sell, etc.

AND WHEREAS the Seller has agreed to sell and the Buyer has agreed to purchase the allotment rights in the Property from the Seller with all its rights, ways, appurtenants, easements, fittings and fixtures etc.

NOW THEREFORE, the Parties have entered into this Agreement on the following terms and conditions:

1. That the Seller shall sell the allotment rights in the Property to the Buyer and the Buyer shall purchase the same from the Seller for a total consideration of Rs. _____/- (Rupees _____ only) (insert amount) (hereinafter referred to as the "Consideration Amount").

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2. That the Buyer has paid Rs. _____/- (Rupees _____ only) (insert amount) vide Cheque No. [insert cheque number] dated [insert date] drawn on [insert branch name] of [insert Bank name] out of the Consideration Amount to the Seller as the earnest money (hereinafter referred to as the "Earnest Money"), the receipt of which the Seller hereby acknowledges.
3. That the remaining of the Consideration Amount shall be paid by the Buyer to the Sellers on or before [insert date] in the following manner:
 - i. _____;
 - ii. _____ (insert mode and method of payment)
4. That upon the full payment of the Consideration Amount, the Seller shall execute a sale deed in favor of the Buyer or his nominee, and the Seller shall be bound to get the sale deed registered with the concerned authorities, immediately after the execution, however, all the costs/expenses in this regard shall be borne by the Buyer.
5. That upon payment of the entire Consideration Amount, the Seller shall be bound to get the name of the Buyer recoded with all the concerned departments/authorities etc. as the owner, and also for the issuance of all the relevant documents in this regard, at the cost and expense of the Buyer.
6. That the Buyer shall, hereinafter, accept the title of the Seller as an absolute owner of the allotment rights in the Property without any further investigation. However, the Seller shall be liable for any misstatement, fraudulent act or misrepresentation, on their part, regarding their title to the allotment rights in the Property.
7. That the peaceful and vacant physical possession of the Property shall be handed over to Buyer at the time of execution of the Sale Deed.
8. All expenses for preparation of the Sale deed and cost of stamp and registration charges whatsoever shall be borne by the Buyer.
9. That if the Seller fail to deliver peaceful and vacant physical possession of the Property to the Buyer, or to execute Sale Deed within time frame mentioned above, the Buyer shall have the right to file a suit for specific performance and the Seller shall also be liable to pay Rs. _____/-

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(Rupees _____) (insert amount) to the Buyer as damages.

10. That if the Buyer fails to fulfill his/their part of the contract, the Seller shall have the right to forfeit the Earnest Money.

11. Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Pakistan Arbitration Act, 1940, subject to the exclusive jurisdiction of the Courts of [insert place].

IN WITNESS WHEREOF, the Parties hereto have set their respective hands to this Agreement on the day, month and year mentioned above.

For and on behalf of
Seller

For and on behalf of
Buyer

Witnesses:

1. _____

2. _____

Name: _____

Name: _____

Address: _____

Address: _____
