

Commercial Contract

AGREEMENT FOR SALE/PURCHASE OF FURNITURE



Small and Medium Enterprises Development Authority

Ministry of Industries & Production

Government of Pakistan

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January 2013

12. AGREEMENT FOR SALE/PURCHASE OF FURNITURE

THIS AGREEMENT FOR SALE /PURCHASE OF FURNITURE (hereinafter referred to as the "Agreement") is made at [insert place] on this ____ (insert date) day of _____ (insert month), 20__ (insert year)

BY AND BETWEEN:

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];

OR

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

OR

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

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

AND

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];

OR

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

OR

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

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

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

WHEREAS the Seller is a manufacturer of the all kinds of furniture.

AND WHEREAS the Buyer is an interior designer, and has entered into a contract with a third party for the interior decoration of an office building.

AND WHEREAS the Buyer intends to enter into an agreement with the Seller for the manufacture and purchase of the furniture items specified in Schedule I of this Agreement (hereinafter referred to as the "Furniture")

NOW THEREFORE the Parties have entered into this Agreement for the Sale/Purchase of the Furniture on the following terms and conditions:

1. TERM AND SCOPE OF CONTRACT

- (1) This Agreement shall come into effect on the date of execution of the Agreement, and shall expire upon the delivery of the Furniture from the Seller to the Buyer on the terms and conditions of this Agreement.
- (2) The Parties agree that in no case shall the expiry date of the Agreement be extended beyond [insert date].
- (3) The Seller agrees to sell, and the Buyer agrees to buy the Furniture mentioned in Schedule I of this Agreement.
- (4) The Seller agrees that the Buyer shall have the right to return/get the Furniture replaced which does not match with the specifications set out in Schedule I of this Agreement.

2. CONSIDERATION

- (1) The Buyer shall pay to the Seller the Price against each Furniture item in accordance with Schedule II hereto (hereinafter referred to as the "Consideration").
- (2) Of the Consideration Amount, the Buyer shall pay to the Seller Rs. _____/- (Rupees _____) (insert amount) as advance (hereinafter referred to as the "Advance") at the time of signing of this Agreement.
- (3) The remaining of the Consideration Amount shall be paid by the Buyer to the Seller upon the delivery of the Furniture in accordance with the terms and conditions of this Agreement.
- (4) The Consideration shall be inclusive of all charges pertaining to the Furniture, however, the charges with respect to the delivery of the Furniture shall be borne by the Buyer.

3. DELIVERY OF FURNITURE

- (1) The Seller agrees to make available the Furniture to the Buyer for delivery on or before [insert date] (hereinafter referred to as the "Date of Delivery").
- (2) The Seller shall be liable for the arrangement of the transport of the Furniture from the [insert address] to the destination. The expense incurred in such delivery shall be borne exclusively by the Buyer.

4. INSPECTION

- (1) The Buyer shall have the right to inspect the Furniture, and within [insert number] days of the delivery of the Furniture, to inspect the Furniture and ensure that the Furniture conforms to the specifications and descriptions provided by the Buyer to the Seller.
- (2) In case of any item's failure to conform to the Buyer's specifications, the Buyer shall inform the Seller within [insert number] days of delivery of such discrepancy, upon which the Seller shall be obligated to replace the said item, or at the option of the Buyer, shall return the price of the said item, along with [insert percentage]% of the price of the item so returned as liquidated damages to the Buyer.

5. TIME IS OF ESSENCE

- (1) It is hereby acknowledged by the Seller that the Buyer has entered into a contract with a third party for the interior decoration of the office building, and that in case of the Seller's failure to adhere to the Date of Delivery, the Furniture shall be of no use to the Buyer. Therefore, the Parties agree that the timely delivery of the Furniture shall be of essence of the Agreement.

(2) Upon the failure of the Seller to deliver the Furniture to the Buyer within the time stipulated in Clause 3 of this Agreement, the Agreement shall be deemed as terminated, and the Seller shall pay to the Buyer [insert percentage]% of the Consideration as liquidated damages and shall indemnify the Buyer against all loss or damage which the Buyer may sustain as a result of the failure of the Seller to adhere to the Date of Delivery of the Furniture.

6. RECEIPT CONSTRUED AS DELIVERY

The Furniture shall be deemed to have been delivered to the Buyer upon the Seller's handing over of the Furniture to the Buyer's designated personnel for the delivery of the Furniture to the destination. The remaining Consideration Amount under Clause 2 (3) shall become payable immediately upon delivery.

7. RISK OF LOSS

The risk of loss or damage to the Furniture, arising out of any casualty, regardless of the cause, shall be on the Seller until the time that the Furniture has been delivered to the Buyer, after which the risk shall transfer to the Buyer.

8. GOVERNING LAW AND RULES OF CONSTRUCTION

- (1) The validity, interpretation, and the performance of this Agreement shall be governed by the laws of [insert place].
- (2) If any term or provision of this Agreement is determined to be invalid, it shall not affect the validity and enforcement of the remaining terms and provisions of the Agreement.
- (3) This Agreement shall be binding upon, and inure to the benefit of, the respective successors, assigns, representatives, and heirs of the Parties herein.

9. SETTLEMENT OF DISPUTE

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].

10. FORCE MAJEURE

- (1) Force Majeure shall mean any event that is beyond the reasonable control of a Party, or the effects of which adversely affect the performance by such Party of its obligations under this Agreement, including, but not limited to, acts of God, sabotage, insurrection, terrorism, riots, hostilities or war (whether declared or not), acts of the public enemy, civil disturbances, any kind of fire, explosion, flood or accidental damage, epidemics, landslides, washouts, lightning, storms, earthquakes, lockouts, blockades, shortage of labor or material, major equipment failure, or other causes beyond the control of the Party affected.
- (2) Notwithstanding anything contained hereinabove, neither Party shall be liable to the other if it is unable to perform any of its obligations under this Agreement due to the occurrence of Force Majeure.
- (3) The Party affected by the Force Majeure event shall be entitled to suspend performance of its obligations under the Agreement to the extent that such performance is impeded or made impossible by the events of Force Majeure.
- (4) Each Party shall give a notice within [insert number] days of the occurrence of the event of Force Majeure and shall promptly thereafter consult the other Party for the purpose of finding a mutually acceptable solution to the Force Majeure event.

11. AMENDMENTS

This Agreement may be modified, extended, enlarged or amended from time to time by mutual agreement and consent of the Parties.

12. NON WAIVER

The failure of either Party to exercise any right provided in this Agreement shall not be construed as a waiver its right to subsequently enforce such provision or any other provision of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals the day, month and year mentioned hereinabove.

**For and on behalf of
The Buyer**

**For and on behalf of
The Seller**

WITNESS NO. 1

WITNESS NO. 2

Signature: _____

Signature: _____

Name: _____

Name: _____

Designation: _____

Designation: _____

Date: _____

Date: _____

SCHEDULE A
Specifications of Furniture

	Specifications	Quantity
1.		
2.		
3.		

SCHEDULE B

	Name	Price per unit
1.		
2.		
3.		