

Commercial Contract

AGREEMENT FOR SALE/PURCHASE OF LIVESTOCK ANIMALS



Small and Medium Enterprises Development Authority

**Ministry of Industries & Production
Government of Pakistan**

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January 2013

11. AGREEMENT FOR SALE/PURCHASE OF LIVESTOCK ANIMALS

THIS AGREEMENT FOR SALE /PURCHASE OF LIVESTOCK AGREEMENTS

(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 the owner of a livestock farm.

AND WHEREAS the Buyer owns and runs a restaurant under the name and style of "[insert name of the restaurant]" for which the Buyer requires regular supplies of meat and chicken.

AND WHEREAS the Buyer intends to enter into an agreement with the Seller for the ongoing purchase of livestock animals (hereinafter referred to as the "Livestock Animals", and more particularly described in the Schedule I hereto).

NOW THEREFORE the Parties have entered into this Agreement for the Sale/Purchase of the Livestock Animals 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 continue for a period of [insert number] months unless terminated by either Party under the terms and conditions of this Agreement.
- (2) The Seller shall supply to the Buyer requisite quantities of the Livestock Animals as and when requested by the Buyer.
- (3) The Buyer shall be obligated to purchase the minimum quantities of the Livestock Animals per month as enumerated in Schedule I of this Agreement.

2. PRICE & SELECTION

- (1) The Prices of per kilogram of the different types of Livestock Animals are provided in Schedule II of this Agreement.
- (2) The Buyer shall, after selection of the Livestock Animals from amongst the stock of the Seller, assure that the Livestock Animals so selected are free from any defects. Following the selection of the Livestock Animals, the Seller shall weigh the selected Livestock Animals and the Price shall be paid by the Buyer to the Seller in accordance with the weight of the Livestock Animals and the Prices given in Schedule II of the Agreement.
- (3) The Prices per kilogram of the Livestock Animals given in Schedule II of the Agreement shall be revised every [insert number] months with the mutual consultation between the Parties.

3. PAYMENT

The Price shall be payable by the Buyer to the Seller at the time of delivery of the Dairy Products to the Buyer by the Seller.

4. DELIVERY OF DAIRY PRODUCTS

- (1) The Buyer shall be responsible for the delivery of the Livestock Animals from the farm of the Seller at [insert address] to the place of business of the Buyer, and the cost of such delivery shall be borne by the Buyer, exclusively.
- (2) Subject to Clause 5, the Buyer shall not be entitled to return any Livestock Animal purchased after selection and thorough inspection under Clause 2 of the Agreement, on account of any defect.

5. REPRESENTATION OF THE SELLER

The Seller represents that at the time of delivery, the Livestock Animals shall not be infected from any infections or diseases which shall render the Livestock Animals unfit for the Buyer's purposes. However, if any such disease is surfaced within [insert number] days of the delivery of the Livestock Animals, the Buyer shall be entitled to return the infected Livestock Animal to the Seller, and the Seller shall adjust the price of the Livestock Animal so returned against future purchases of the Buyer from the Seller.

6. RECEIPT CONSTRUED AS DELIVERY

The Livestock Animals shall be deemed to have been delivered to the Buyer upon the handing over of the Livestock Animals to the Buyer for transportation from the Seller's place of business to the Buyer's place of business.

7. RISK OF LOSS

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

8. TERMINATION

The Agreement may be terminated by either Party, with or without cause, after serving the other Party with a [insert number] days' prior written notice to this effect.

9. 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.

10. 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].

11.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, lightening, 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.

12.AMENDMENTS

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

13.NONWAIVER

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

Signature: _____

Name: _____

Designation: _____

Date: _____

WITNESS NO. 2

Signature: _____

Name: _____

Designation: _____

Date: _____

**SCHEDULE I
DESCRIPTION OF LIVESTOCK ANIMALS**

- | | | |
|----|----------------------|-------------------------------------|
| 1. | [insert description] | [insert minimum quantity per month] |
| 2. | [insert description] | [insert minimum quantity per month] |
| 3. | [insert description] | [insert minimum quantity per month] |

**SCHEDULE II
PRICES**

	Item	Price/kilogram
1.	[insert description]	[insert price]
2.	[insert description]	[insert price]
3.	[insert description]	[insert price]