# **PROCUREMENT CONTRACT**

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#### Contract No.:MSL-SBT-001

#### Date: 03/12/2020

We have pleasure in confirming herewith the sugarcane under the following terms and conditions:

## The Buyer :

Tel :

Fax:

E-mail:

Address :

Bank name :

Bank address:

A/C name :

A/C No. :

Bank Telepone No.:

#### The Seller :

Tel : E-mail : Address : Bank name: Bank address: ACCOUNT NUMBER:

#### The Broker : SHIBLY TRADING

Seller Broker Buyer

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Tel : +971508720404 E-mail : suzan@shiblytrading.com Address : Bank name: Bank address: ACCOUNT NUMBER:

# **Definition:**

1	Name of Commodity	Sugarcane (Unprocessed)
	Origin	Nigeria
	Specifications	
		Status: Raw unprocessed
		Length: 5feet each
		Polarisation, °Z:94-99
		Invert sugar content %m/m(max) : 1.2
		Conductivity ash, %m/m(max) :1.0
		Moisture content, %(max) :1.0
		Colour, in ICUMSA units at 420nm >1,300 – 6,000
		Starch, mg/kg m/m(max) :450
		Arsenic(As) :0.8mg/kg
		Lead(Pb): 1.5mg/kg
		Pesticides residue :99% free
		Total Plate Count(mesophylic), CFU/10g, max :103
		Yeast and moulds, CFU/10g, max :49
		Escherichia coli, CFU/g <1
		Salmonella, per 25g :Absent
	Packing and Shipping	Packed in white polyethylene sacks,
		Shipping by 20ft container
2	Quantity	12,500MT. (±10%)/Month
		(Dependent on availability as it is an annual crop)
3	Unit Price	USD 75/MT per month, F.O.B Lagos, Nigeria

Seller

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4	Total Value	USD 937, 500 ( $\pm$ 5%)/month F.O.B Lagos, Nigeria Say: US Dollars Nine Hundred and thirty seven thousand, five hundred( $\pm$ 5%) per month
5	Non-refundable	USD 46,875
	Deposit	Say: US Dollars Forty-six thousand, eight hundred and seventy-five

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## ARTICLE 01:

Buyer is expected to pay to the SELLER, a non-refundable 5% of total monthly sum for the first time only to cover a. cost of security,

- b. cost of organizing the farmers into a cooperative unit,
- c. cost of renting trucks for a 12month contract to avoid disappointment and delay.

Payment amount due: USD46,875 (Forty-six thousand, eight hundred and seventy-five U.S Dollars) by either Bank TT or through Transferwise(<u>http://www.transferwise.com</u>)

#### ARTICLE 02:

Port of Loading: LAGOS port or APAPA Port, NIGERIA

## ARTICLE 03:

Port of Discharge: Al Basra port, Iraq

## ARTICLE 04:

#### Payment:

- 1) By T/T :70%, 45 working days before shipment and balance 30% on confirmation of receipt of goods by Shipper(at Lagos port) to Buyer via email.
- 2) Payments to be effected in US Dollars.
- 3) Ocean freight should be paid by the BUYER for "Freight Prepaid" and shall pass the original B/L to SELLER directly from the shipping company in Lagos, Nigeria. The BUYER shall take full responsibility for the payment of Ocean Freight.

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## ARTICLE 05:

Inspection:

 Seller and buyer mutually agree that SGS inspection company shall be appointed at designate loading, to assess the quality and quantity of the cargo according to the provisions herein stated. The BUYER will pay the inspection fee, as per the inspection invoice at port of loading and the BUYER shall also appoint the SGS inspection company at the discharge port and will pay the inspection fee, as per the inspector's invoice port of discharge by the buyer.

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 The description, quality and quantity of goods stated in the SGS certificate issued on loading port, shall be conclusive evidence of the quality and quantity of goods delivered.

# ARTICLE 06:

- 1) Shipping Terms: Partial shipments not allowed.
- 2) Performing vessel shall be arranged by the Buyer. The vessel shall be free of any liabilities. The vessel should be accepted by Buyer.
- 3) Notice of shipment: The Shipper selected by the Buyer should advise the Buyer the shipping details including Contract No, Name of goods, quantity or weight loaded, Shipping invoice value, Copy of B/L showing (Name of Vessel and Flag of Vessel, Estimate date of arrival, shipping date, port of destination) and estimated date of arrival within 96 hours after shipment by Fax or E-mail.

# ARTICLE 07:

Documents for Payment Negotiation:

- A. Signed Commercial Invoice issued by Seller indicating contract number via email through the BROKER.
- B. Full set of clean on-board ocean Bill of Lading in 3 originals and 3 copies made out to order and blank endorsed. Marked "Freight Correct" from Shipper to Buyer through the Broker.
- C. Certificate of quantity/weight in 1 original and 2 copies issued by SGS (Nigeria) Limited through the Shipper to the Buyer through the Broker.
- D. Certificate of quality in 1 original and 2 copies issued by SGS (Nigeria) Limited.

Seller	Broker	Buyer

- E. Phytosanitary certificate in 1 original and 1 copy issued by government authority.
- F. Fumigation Certificate in 1 original and 1 copy issued by SGS (Nigeria) Limited.

# ARTICLE 08:

Other Terms:

- 1) Both quantity and amount 5percent more or less is allowed.
- 2) If within Thirty (30) calendar days from the date of discharge of vessel at the discharge port, the Broker fails to inform the Seller confirming the non-compliance, the commodity will be deemed to have been accepted by the buyer and the Seller will accept no claim
- 3) Quantity Discrepancy Claim should be lodged by the Buyer within 3 days after the arrival of the goods at the port of destination.
- 4) The Seller shall not be held responsible if he fails, owing to Force Majeure such as fire, flood, acts of God, acts of terrorism, acccidents, War unforeseen circumstance etc, cause or causes, to make delivery within the time stipulated in this Purchase Contract or cannot deliver the goods. In case of Force Majeure circumstance, the parties concerned shall notify the other party promptly by E-mail or Telephone.
- 5) Neither the Buyer nor the Seller may assign this Contract, in whole or in part, without prior written consent of the other. The consent to assign by the other Party shall not be unreasonably with-held.
- 6) It is hereby agreed that the terms of this Contract are confidential. Except for the purpose of enforcing this Contract, neither party shall disclose any of the terms of this Contract to any third party other than an affiliate of a party, unless such disclosure is required by law or unless prior written approval has been obtained from the other party.
- 7) This Contract may not be modified or amended, except with the mutual consent of the parties as expressed in a written instrument signed by a duly authorized representative of the Seller and the Buyer, provided, however, that either party may waive, in a

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writing executed by an aforesaid party, any and all of the terms and conditions contained in this Contract to which its obligations hereunder are subject.

8) BUYER shall pay SELLER to assist in acquisition of sugarcane farmlands in the locations where SELLER already has partnership for either a long term lease or outright purchase.

This condition is to secure the continuity and availability of the sugarcane all year round. This will also maintain the quality based on source of the sugarcane.

It will afford the BUYER the security against global price fluctuations.



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THE SELLER:

SIGNATURE

THE BUYER:

AUTHORIZED SIGNATURE

AUTHORIZED

MANAGING DIRECTOR

MANAGING DIRECTOR

.....

THE BROKER: SHIBLY TRADING COMPANY

AUTHORIZED SIGNATURE

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