PURCHASING AGENTS AGREEMENT

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This Purchasing Agents Agreement (the “Agreement”) is effective [DATE],

**BETWEEN: [FIRST PARTY NAME]** (the "Company"), a company organised and existing under the laws of [COUNTRY], with its head office located at:

[YOUR COMPLETE ADDRESS]

**AND: [SECOND PARTY NAME]** (the "First Agent"), an individual with his main address located at OR a company organised and existing under the laws of [COUNTRY], with its head office located at:

[COMPLETE ADDRESS]

**AND: [THIRD PARTY NAME]** (the "Second Agent"), an individual with his main address located at OR a company organised and existing under the laws of [COUNTRY], with its head office located at:

[COMPLETE ADDRESS]

WHEREAS the Company is in the business of purchasing [SPECIFY] for resale and for transformation (the “Business”);

WHEREAS the Agents have each been the business of purchasing bulk [SPECIFY] from producers in [COUNTRY/COUNTRIES] for many years;

WHEREAS the Agents are independent contractors;

WHEREAS the Company is interested *in re*taining the services of the Agents to arrange for the purchase of bulk [SPECIFY] in [COUNTRY/COUNTRIES] for the Company;

WHEREAS the Agents are interested in offering their exclusive services to the Company to arrange for the purchase of bulk [SPECIFY] in [COUNTRY];

WHEREAS the Company shall invest considerable time, effort, money and goodwill in the Business over the next few years;

WHEREAS the Company shall incur long-term costs and other obligations in the course of developing and operating the Business;

WHEREAS [INDIVIDUAL NAME], [INDIVIDUAL NAME] and [INDIVIDUAL NAME] acknowledge that it is entirely reasonable and prudent for the Company to expect them to agree and covenant to the obligations set out in this Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATION, THE [COMPANY NAME] HERETO AGREE AS FOLLOWS:

1. **PURCHASING AGENTS**

The Agents hereby agree to provide their services exclusively to the Company, and the Company hereby agrees to retain those services, all in accordance with this Agreement.

1. **THE TERM**

The term of this Agreement shall be for an initial period of five years beginning on [DATE] and terminating on [DATE], and shall be automatically renewed for periods of five years thereafter (the “Term”), except that :

* 1. The Company may terminate its agreement hereunder with an Agent provided the Company delivers to such Agent a written notice of termination at least [NUMBER] months prior to the termination date of the Term. The Company may terminate its agreement with an Agent at any time for cause.
  2. An Agent may terminate his agreement hereunder upon delivering to the Company a written notice of termination at least [NUMBER] months prior to the termination date of the Term. Notwithstanding any other provision of the Agreement, the provisions of Section 10 of this Agreement shall survive termination.

1. **AGENT COMMISSIONS**

For each pound of bulk [SPECIFY] purchased through the work of an Agent hereunder, the Company shall pay such Agent a commission equal to [PERCENTAGE %] Percent of the net purchase price paid to the producer (that is, the purchase price paid to the producer net of all costs, expenses, industry fees and levies, government fees or taxes of any kind). Such commission shall be paid to the relevant Agent within [NUMBER] days of acceptance by the Company of the bulk [SPECIFY] for which the commission is due and owing.

1. **[SPECIFY] PURCHASES**

The Agents hereby undertake to use their very best efforts to purchase bulk [SPECIFY] in [COUNTRY] in each calendar year during the Term for and on behalf of the Company in accordance with the amounts fixed by the Company. By [NUMBER] in each year of the Term, the Company shall notify the Agents in writing as to the amount of [SPECIFY] to be purchased during the period set out in the notice. Until otherwise notified in writing by the Company, the annual ([DATE] - [DATE]) target purchase amount shall be [NUMBER] Pounds of [SPECIFY].

1. **COMPANY PURCHASE PRICE LISTS**

From time to time, the Company shall issue to the Agents purchase price lists setting out the purchase price to be offered by the Agents in negotiating the purchase price of [SPECIFY] with producers.

1. **PRODUCER PAYMENTS**

Once an Agent identifies [SPECIFY] for purchase in the field, the Agent must communicate the amount, grade and cost of such [SPECIFY] to the Company. Upon acceptance of this offer by the Company, the Agent shall confirm to the producer the purchase of the [SPECIFY] by the Company. No Agent may purchase [SPECIFY] for or on behalf of or in the name of the Company without the Company’s prior approval.

Producers shall be paid by the Company on acceptance by the Company of delivery of [SPECIFY] at the Company’s designated warehouse in [COUNTRY] following quality confirmation. If a producer requires payment in the field, an Agent shall request an advance payment from the Company.

1. **TRANSPORTATION AND ADMINISTRATION COSTS**

All [SPECIFY] transportation costs and Agent administration expenses, approved in advance in writing by the Company, shall be paid by the Company.

1. **[SPECIFY] PURCHASE COORDINATION**

Until otherwise determined by the Company, [COMPANY NAME] shall have the additional responsibility of coordinating and managing the purchase of [SPECIFY] by the Agents hereunder.

1. **COMPANY POLICIES AND PROCEDURES**

In carrying out their functions hereunder, the Agents hereby agree to respect the Company policies, practices, procedures and directions, as may be determined from time to time by the Company.

1. **NON-COMPETITION AND NON-SOLICITATION OF CUSTOMERS**
   1. If an agreement with an Agent hereunder is terminated under Section 2 of this Agreement for any reason, each of the Agents hereby covenant to and agree with the Company that in the [NUMBER] years following the termination of an Agent’s agreement with the Company, within [COUNTRY], such Agent shall not nor shall he permit any Related Person to,
2. directly or indirectly sell, provide, distribute, deliver or facilitate in any manner, or assist any Person in the sale, provision, distribution or delivery of [SPECIFY] either individually or in partnership or jointly or in conjunction with any other Person, or, have any direct or indirect interest or concern in or with any Person, any part of the activities of which said Person consists of the sale, provision, distribution or delivery of any [SPECIFY] or the facilitation in any manner of the sale, provision, distribution or delivery of any [SPECIFY], if such sale, provision, distribution, delivery or facilitation, would have directly or indirectly competed for any of the custom or trade of the Company.
3. directly or indirectly solicit any Customer, or directly or indirectly assist any Person directly or indirectly to solicit any Customer, or have any direct or indirect interest or concern in or with any Person any of the activities of which said Person consists of soliciting any Customer, if such solicitation is or otherwise would be directly or indirectly calculated to result in a sale of [SPECIFY] to such Customer and is a sale, provision, distribution or delivery which would have directly or indirectly competed for any of the custom or trade of the Company.
   1. For the purposes of this Section,

“Customer” means any Person who has been a customer of the Company at any time prior to and during the Term;

“Direct or indirect interest or concern” includes a direct or indirect interest or concern as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, consultant, advisor, independent contractor, supplier, lender, financier, or in any other capacity whatever;

“Directly or indirectly assist” includes directly or indirectly assisting a Person be it as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, consultant, advisor, independent contractor, supplier, lender, financier, or in any other capacity whatever;

“Directly or indirectly solicit” includes directly or indirectly soliciting a Customer be it as principal, beneficiary, director, shareholder, partner, nominee, executor, trustee, agent, servant, employee, consultant, advisor, independent contractor, supplier, lender, financier, or in any other capacity whatever;

“Person” includes any physical or legal person, individual, corporation, partnership, joint venture, trust, unincorporated organization, association, syndicate, the Crown or any agency or instrumentality thereof or any other judicial entity;

“Related Person” means an individual who is related either by blood or by marriage to the Agent (that is, a person who is a spouse, grandparent, parent, child, uncle, aunt or cousin) or is deemed to be related to any of the Agent, that is, if either is the associate or affiliate of the other or a shareholder directly or indirectly, of the other.

* 1. In addition to the confidentiality undertaking set out in Section 15, each of the Agents hereby covenants to and agrees with the Company that he shall not, nor shall he permit any Related Person to directly or indirectly use or divulge to any other person any information which is known to be confidential information of the Company or of the business of the Company, without the prior consent of the Company.
  2. Each of the Agents hereby acknowledge and agree that:
  3. the non-competition, non-solicitation, confidentiality and other covenants set forth in this Agreement, are reasonable in the circumstances and are necessary to protect the economic position of the Company; and
  4. the breach by any Agent of any of the provisions of this Agreement shall cause the Company to suffer a loss for which the offending party shall pay to the Company, on demand, the sum of [COUNTRY] [AMOUNT] in [COUNTRY] currency as liquidated damages for the in execution of his obligations hereunder (the “Damages”); and
  5. in addition to the right of the Company to be paid the Damages, the breach by any Agent shall cause serious and irreparable harm to the Company and in the event of a breach by any Agent of any of these provisions, notwithstanding any other provision of this Agreement, including the right to the Damages, the Company shall be entitled, as a matter of right, to seek an injunction against the offending person and each of the Agents hereby consent to an injunction being issued against such person, restraining such person from any further breach of such provision, but the provisions of this paragraph shall not be construed so as to be in derogation of any other remedy which the Company or any Person to whom this Agreement may be assigned may have in the event of such a breach.
  6. Without prejudice to any recourse available to the Company to enforce its rights hereunder, if the Company is successful in whole or in part in enforcing such rights against any party hereto, whether before the courts or by way of settlement, such party shall, at the demand of the Company and in addition to any other sums payable by such party to the Company as a consequence of such successful enforcement, reimburse in full the Company for all costs incurred by the Company in enforcing its rights hereunder, including professional fees and disbursements (lawyers, accountants and others) as well as all other expenses incurred by the Company *in re*lation thereto.
  7. If the Company has reasonable grounds to believe that an Agent is directly or directly in breach of any of his obligations hereunder, the Company may require that such Agent permit the Company and its employees, agents, counsel, accountants, other representatives and investors to have free and unrestricted access during normal business hours to:
  8. all contracts and agreements, including sales orders and purchase orders, and other documents relating to the business of the Agent or of the Company, as the case may be; and
  9. all books of account, accounting records, income and other tax returns, documents, business, legal and accounting information and data relating to the Agent or to the Company, as the case may be, for past and current reporting years during the Term.
  10. The Company, its employees, agents, counsel, accountants and other representatives shall have the right to make photocopies of any of such documents, at the expense of the Company, subject to Subsection 10.5.
  11. The existence of any claim or cause of action of an Agent against the Company whether pursuant to this Agreement or otherwise shall not constitute a defence to the enforcement by the Company of the provisions of this Agreement against such Agent. The existence of any claim or cause of action of the Company against one Agent pursuant to this Agreement shall not be deemed to constitute a claim or cause of action against the other Agents, and such claim or cause of action may be asserted and enforceable solely against the party in breach of this Agreement.
  12. The provisions of this Section 10 shall survive the termination of this Agreement.

1. **INDEPENDENT CONTRACTORS**

The Agents are independent contractors and are not employees, partners, and shareholders or otherwise related to the Company.

1. **ADDITIONAL AGENTS**

Nothing in this Agreement shall prevent the Company from appointing additional Agents to purchase [SPECIFY] for and on behalf of the Company in [COUNTRY].

1. **SEVERABILITY**

If a court of competent jurisdiction adjudges, declares or decrees any portion of this Agreement void or unenforceable, such portion shall, automatically and without further act on the part of the parties hereto, be reduced in scope, territory or duration of time to such an extent that they would hold the same to be enforceable in the circumstances before the court, or, if the court is unwilling to do so, shall be deemed void and severed here from.

1. **SUCCESSORS AND ASSIGNS**

The provisions of this Agreement shall, except as otherwise provided herein, ensure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. An Agent may not assign its rights or obligations hereunder without the prior written consent of the Company.

1. **AGREEMENT CONFIDENTIAL**

The parties hereby agree to keep the terms and conditions of this Agreement as well as its existence confidential. Neither party shall disclose to any person the existence or content of this Agreement without the prior written consent of the other party.

1. **ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and the transactions herein contemplated and replaces all previous agreements and understandings, if any, between the parties with respect to the subject matter hereof and the transaction contemplated herein.

1. **NOTICES**

Any notice to be given under this Agreement shall be in writing and delivered or, except in the event of disruption of postal service, mailed by prepaid registered mail, or telecopied, to the party to whom it is to be given at the address as shown below and such notice shall be deemed to have been given on the day of delivery or on the [NUMBER] business day after mailing as aforesaid, as the case may be. Notice given by telecopier shall be deemed to have been given on the day of transmission.

If to the Company:

[EMAIL ADDRESS]

If to [COMPANY NAME]:

[EMAIL ADDRESS]

If to [COMPANY NAME]:

[EMAIL ADDRESS]

If to [COMPANY NAME]:

[EMAIL ADDRESS]

Notice of change of address may be given by any party in the same manner.

1. **COUNTERPARTS**

This Agreement may be executed in one or more counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute but one of the same instrument.

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

COMPANY FIRST AGENT

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title

SECOND AGENT

Authorised Signature

Print Name and Title