



Business Development Agreement – 2023 (Except Arabic Bread)

Description	Percentage
Visibility Rebate	10.00%

Payment Terms	15	Days, from monthly Statement
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Data Sharing Support: QAR: 30,000/A

Additional Shelf Space and Display Support: QAR: 45,000/A

Deduction: Quarterly

Visibility Support

Outlet	Bakery Section
D-Ring	9 Mtr Shelves ✓
Gharafa	11 Mtr Shelves ✓
Al-Khor	13 Mtr Shelves ✓
Barwa	10.5 Mtr Shelves ✓
Hilal	8 Mtr Shelves ✓
Ezdan oasis	11 Mtr Shelves ✓
Meshaf	5 Mtr Shelves ✓
Bin Mahmoud	8.5 Mtr Shelves ✓
Lulu Center	8 Mtr Shelves ✓
Messila	11 Mtr Shelves ✓
Lusail	9 Mtr ✓
B-Ring	8 Mtr ✓
Express- Qatar Foundation	8 Mtr ✓
Sidra	12 Mtr ✓
Salwa Road	9 Mtr ✓
Ain Khalid	10 Mtr ✓
Pearl	10 Mtr
Al Khor Dhakira	10 Mtr

All Other Outlets : Fair Visibility in the category





Additional Display

Outlet	Bakery Section
D-Ring	3 Mtr Shelves
Gharafa	1 Mtr Shelves

Display Support: 12 display support

Duration 01.01.2023 to 31-12-2023

We here by agree the terms and conditions mentioned in this agreement.
Thanking you,

Very truly yours,

For LULU HYPERMARKET TRDG. CO. W.L.

For M/S Umm Said Bakery

Authorised Signatory
Stamp



ANNEXURE 2 - GENERAL TERMS AND CONDITIONS

1) DEFINITIONS

- a. 'Store(s)' means the retail outlet(s)/central purchase division(s) /Distribution Center(s)/warehouse(s)/webstore of the First Party or its sister concerns operating under the trade names "Lulu".
- b. 'Supplier' means the "Second Party" of this agreement, who agrees to supply "Goods and Merchandise", duly incorporated and registered with relevant competent authorities, having been obtained all the required licenses, permits and approvals for the supply of the subject matter of the Agreement.
- c. 'Local Purchase Order' means the order(s) duly signed, stamped and issued to the Supplier from the Store(s) for each purchase transaction listing the "Goods and Merchandise", which the Store(s) intends to purchase from the Supplier from time to time during the term of this agreement.
- e. "Service Center" means a fully equipped facility manned by qualified, properly trained and competent staff and technicians possessing the necessary skills to carry out all repairs and maintenance work and the requisite authority to perform and discharge all warranty obligations in relation to the Products.

2) LISTING OF SUPPLIER/PRODUCT LINES

The Store(s) reserve the right to list a supplier/product line to the Store's supplier / product list at its sole discretion. Any listing done by the Store is on a temporary basis for the initial period of three months or less than three months whatever satisfies to the Store(s) and if the Store is satisfied on the performance of the supplier/product, the store, at its sole discretion may make the listing as permanent for the remaining duration of this agreement or until it is terminated, whichever is earlier. The Store, if not satisfied with the performance of the Supplier/product at any time, shall de-list the Supplier/product without notice and Supplier shall not file any complaint, grievance or court cases against the First Party/Store(s) whatsoever if any loss or damages incur due to de-listing the Supplier/product any time at the sole discretion of Store(s). The Store will de-list a product if an out of stock situation arises without notifying the genuine and justifiable reason satisfactory to the First Party/Store.

3) ORDERS, DELIVERY AND INVOICING

- a) Every purchase transaction must be initiated by issuance of a Local Purchase Order by the Store(s) to the Supplier and on the issuance of the same it shall form part of this Agreement. Unless otherwise stated in the Agreement, the First Party/Store makes no commitment as to any minimum order quantity for any products by any Store(s).
- b) The supplier is bound to deliver the Goods and Merchandise specified in the Local Purchase Order in good condition as per the time limit and to the location(s) mentioned therein. Delay by the Supplier in delivering any Goods and Merchandise within the time limit specified in any particular purchase order shall entitle the Store(s) to refuse to take delivery of the same. Any reasons to justify the delay in delivery shall be subject to sole discretion of the Store(s) whether to accept delivery or decline. The Supplier agrees to accept whatever is decided by the Store(s) in any manner.
- c) All deliveries must be against original Local Purchase Order only.
- d) Up on delivery, the authorized receiving person of the Store should physically verify the delivered goods and any difference from the local purchase order should be noted down in the sales invoice and should be informed to the Supplier.

- e) In case of delivery of the sealed master cartons, if any shortage is found later in the cartons by the Store(s), the Supplier shall be liable to pay the compensation to the Store.
- f) Notwithstanding issuance of a Local Purchase Order, the duration/location of display and shelf space size shall be at the sole and absolute discretion of the Store(s).
- g) The Supplier should invoice the Store(s) according to the actual delivery of goods only.

4) SUPPLY AND QUALITY

- a) The Supplier shall deliver the Goods and Merchandise in good condition to the Store(s) on the date and time stipulated by each Store.
- b) The Supplier shall ensure that the variety, quantity, quality, specification and performance standard of the Goods and Merchandise are stipulated by each Store.
- c) The Supplier shall not supply any falsified goods or defective goods.
- d) The Supplier shall provide the Goods and Merchandise with warranties, right to use and all other information necessary under the applicable law and regulations.
- e) The Store(s) shall not be liable nor responsible to the Supplier for any loss or damage sustained or caused to be sustained by the Supplier because of any damage of Goods and Merchandise.

5) PRICING AND PAYMENT

- a. Unless otherwise agreed by the Parties hereof in writing and/or except in case of special promotions, the lowest price listed by the Store shall be the price at which the Supplier should supply the Goods and Merchandise to all the Stores run by the First Party.
- b. The prices indicated in the local purchase order shall remain fixed for the term of this agreement and shall not be subject to revision except to accommodate, any change in statutory levies, duties or price change by the distributor/manufacturer.
- c. The supplier shall give thirty (30) days written notice to the Store(s) for any price revision as stipulated in sub clause 5 (b) above.
- d. The prices in the Local Purchase Order are all-inclusive and shall be deemed to include without exemption all charges, levies, transportation and delivery costs and all other expenses incurred in connection with the supply of Goods and Merchandise in accordance with the Agreement.
- e. Any Tax shall be additionally added to the prices of the Goods and Merchandise in clear terms specifically those products that fall into categories prescribed by the competent tax authority subject to increase/decrease whenever relevant authority announces; including but not limited to excise tax on sugary drinks and cigarettes in a manner prescribed by the relevant competent authority. In case if any product falling into the tax category does not include the said taxes in prices that shall be returned immediately to the Supplier and all the expenses shall be borne by the Supplier. If any penalty is imposed by the competent authority upon inspection that shall be paid by the Supplier.
- f. The Store(s) shall be processed all payments to the Supplier only after the receipt of proper invoice and documents from the Supplier. The Store(s) shall not be responsible for any delay in



payments to the Supplier that may be occurred due to the delay from the side of the Supplier in submitting proper documents to the Store(s).

- g. Each Store shall pay to the Supplier the price of the Goods and Merchandise supplied and accepted at the Store.
- h. The Supplier shall submit to the Store(s) a periodical statement of account for accounting reconciliation purpose.
- i. The Store(s) will provide to the Supplier a Credit Note along with supporting documents for all goods returned, goods with price difference or quantity difference and for rebates and other price supports.
- j. The Supplier agrees to indemnify and hold harmless the First Party and Store(s) management from and against any claims, legal actions, losses, damages, expenses, penalties and fines that may be incurred by the First Party or the Store(s) due to the failure or omission of the Supplier to comply with the provisions of any laws and regulations in force or issued by the government authorities from time to time.

6) SUPPLIER'S REPRESENTATION

- a) The Supplier shall ensure that it holds and possesses all permits, approvals, licenses, certificates, and/or authorization prescribed by, under or pursuant to applicable law issued by the competent authority, regulatory body, which are necessary for the proper and complete performance or fulfilment of any of the obligations, covenants, promises and undertakings under this Agreement, including all planning, design, specifications of products and other statutory, regulatory, municipal or government permits, approvals, consents, licenses, certificates, and/or authorization for the Goods and Merchandise to be supplied by the Second Party.

7) INSTORE PROMOTION OF SAMPLES

- a) For exercising in store promotion of samples, the supplier shall get prior approval from the management of concerned Store in writing. It shall be sole discretion of the stores' management whether to allow or refuse or alternately suggest any other option in a manner that commercially suits to the Stores' business and reputation.
- b) It is the duty of the Supplier to obtain necessary approval from Municipality/Governmental agency and copies of the required permits, approvals, certificates and license duly issued by the competent authority shall be given to the Stores' authorized person before instore promotion takes place.
- c) The promoters should strictly obey the dress code instructed by the Store management.
- d) The supplier shall pay in store promotion fees as agreed by the outlet management
- e) Above conditions shall apply for wet sampling as well as product briefing.

8) PROMOTION, ADVERTISING, LABELING AND MERCHANDISING

- a. Supplier shall ensure that the Goods and Merchandise are properly bar-coded, failure to which will attract either de-listing or charging bar-coding expenses to the Supplier at the rate of 0.5 Dirhams per each defaulted piece of the product. The supplier shall ensure that all Goods and Merchandise supplied by them should be supplied in the same bar code in which the

item is listed in the Store(s). Each of the products shall carry a label in English (and Arabic, whenever required by the Store(s) by any law, customs or usage) showing the name and description of the product, its uses, detail of its content, country of its origin etc. Any failure in this may result in rejection of the goods without notice.

- b. The packing and labeling of the Goods and Merchandise shall be in accordance with requirements imposed by the relevant Municipal / Governmental authorities of the country of origin as well as the country of retailing.
- c. The Parties shall use all efforts to promote, advertise, distribute and sell the products to fully exploit the market potential for the products at the Store(s)
- d. All promotional and marketing activities (including without limitation seminars and advertising) shall be implemented by the Parties in accordance with the agreed schedules. The Parties shall agree in advance the details of all such promotional activities and advertising plans.
- e. Supplier shall at its cost and expenses provide merchandising support, whenever requested by the Store(s). Such support shall include the deputation of a dedicated person or persons who shall be responsible for displaying the Goods and Merchandise in the shelf allotted by the Store(s). The Store shall provide a badge for the merchandiser which he/she shall wear at all times at the Store. The person(s) so deputed shall at all times remain the employee of the Supplier and the Store has no responsibilities on him/her over the laws affecting employment, immigration and other matters whatsoever.
- f. The Store will make no commitment regarding the continuing availability, size or location of the shelf space for the display of any products purchased hereunder nor does the Store undertake to move the products to the selling area within any given timeframe. The Store reserve the right to alter the location and size of the shelf space allotted for the display of the products.
- g. It is the duty of the Supplier to ensure that the person(s) deputed for merchandising shall obey all in store rules and standards set by the Store management. In case of any misconduct or omission and gross negligence from the part of merchandisers, the Supplier shall liable to indemnify the Store(s) for all losses arises out of such misconduct.

9) REJECTION OF GOODS AND MERCHANDISE

- a. Under the following circumstances the Store(s) shall reject/return the Goods and Merchandise whether or not the Store(s) has paid for it and the Store(s) shall deduct the value of the rejected/returned goods from the amount payable to the Supplier.
 - i) The Goods and Merchandise are, at the time of delivery or subsequently, found to be defective, expired, of inferior quality and/or otherwise unacceptable to the Store(s).
 - ii) Any of the items supplied by the Supplier returned by the customer of the Store by the reason of damage, defective, expired or inferior quality
 - iii) The Supplier fails to supply, replace or substitute the Goods and Merchandise in accordance with the requirement of the Store(s).

- b. The Store is entitled to deduct all costs, expenses and losses incurred on account of situations (i) to (iii) referred above from any amount payable to the Supplier. Further, the Supplier has to compensate the Store(s) for any losses sustained by the Store(s). The Store/First Party reserves the right to proceed against the Supplier for any claim arising from expiry date related issues.



10) AFTER SALES SERVICING

- a. The Supplier warrants that the products conform to the relevant published products data and specification and that they are covered by the manufacturer's warranty which warranty is valid and subsisting.
- b. Supplier undertakes to support the eventual purchasers of the Goods and Merchandise from the Store in obtaining, from the Service Center, repair and maintenance services and assist such purchaser in enforcing the warranties in relation to the products.
- c. Supplier warrants that each of the products supplied to the Store(s) is and shall be free from latent defects and shall be of merchantable quality for the period stated on the products.

11) REVIEW / STATUS UPDATE

Supplier agrees to update the Store(s) a review on the progress of the business on a monthly basis, and corrective to be agreed mutually in case of any short fall of business. In connection to that the Supplier shall provide progress report clearly showing the facts and figures required to the Stores' for their review and study. Concealment of true information by Supplier shall be deemed offense and crime.

12) DATA EXCHANGE

- a. Store(s) agrees to Share EPOS Data in every two months through system to one recipient of the Supplier. (If it is agreed in Annexure-1 or 1-A)
- b. Data would be shared on all major categories of Supplier part, at Brand level including all the competitive brands of the respective categories.
- c. The supplier will be sharing a monthly detailed analysis by the 10th of the respective month electronically to agreed recipients in the Store specifying Supplier brands and category performance.
- d. Along with the monthly reports the joints teams will be using the data to gain deep category insights, evaluate events and activities, measure value/volume share by brand/category and track store performance as part of the joint business plan.
- e. The data sharing will be strictly confidential and the Supplier shall not be shared with third party(s) without obtaining prior consent in writing of the First Party/Store.

13) COMMISSION TO STORE STAFF

Supplier is not allowed to pay commission or gift either in cash or kind to any staff of the store, failure to which will attract legal proceedings and non-payment of outstanding amount payable to the Supplier. The Store(s) reserve the right to claim compensation from the Supplier in case of violation of this provision.

14) SUPPLIER WARRANTY

The Supplier warrants to the First Party/Store, apart from the applicable customary warranties and other warranties as per applicable laws, that:

- a) all Goods and Merchandise supplied/to be supplied hereunder by the Supplier shall be free from any defects and be of good and merchantable quality;
- b) all Goods and Merchandise supplied/to be supplied hereunder by the Supplier shall be free and clear of any and all liens and encumbrances whatsoever;

c) the Supplier has absolute unfettered right to supply the Goods and Merchandise to the Store(s);

d) the Supplier, if it is not the owner of the trademarks of the Goods and Merchandise bearing any such trademarks, has the requisite permission from the owner(s) of such Goods and Merchandise to supply such Goods and Merchandise to the Store(s) and that the supply of Goods and Merchandise by the Supplier as per this agreement does not infringe any trademarks, copy rights, patent or any other intellectual property rights whatsoever of any third parties;

e) the supply of the Goods and Merchandise by the Supplier as per this agreement does not infringe the rights of any commercial agent whatsoever registered under the Commercial Agencies register with the Ministry of Economy and/or other register with any other official authorities;

f) the Supply of the Goods and Merchandise by the Supplier as per this agreement is fully in accordance with all applicable laws.

15) INDEMNITY

The supplier hereby agrees to indemnify and keep indemnified the First Party/Store from and against all claims, legal actions, demands, losses, damages, costs, expenses or penalties, which the First Party/Store may incur from time to time as a result of:

- i. the act or omission of the Supplier; or
- ii. breach by the Supplier of any of its obligations or the terms and conditions of this agreement; or
- iii. the violation of the intellectual property rights of any third party by the Supplier; or
- iv. non-observance by the Supplier of any of the Laws, rules and regulations in force in the country or;
- v. stocking, displaying, merchandising or selling through the Store, of any expired, falsified, counterfeit or prohibited goods supplied by the Supplier to the Store(s).

16) DEDUCTIONS

The Store(s) is entitled to deduct the sums payable by the Supplier under any head under this Agreement from any payment due to the Supplier.

17) HEADINGS

The headings contained herein are for reference purpose only and do not form a part hereof and shall not be deemed to alter or affect the meaning of any of the provisions hereof.



SECOND PARTY

