

Annexure-A
Concerns observed in Grand Mall Agreement

Page & clause #	Clause - Description	QFI Concern	Action Taken
Page No:3 SECTION f- NEW PRODUCT SUPPORT	Documentation fee will be negotiated and agree for a new product (per fragrance, flavor, and size). 4,000/- QR per SKU per each store	Not acceptable by QFI.	Documentation fee has been revised to 0/- QR.
Page No:3 SECTION l- CREDIT NOTES	Grand Mall Hypermarket is following the market prices. Therefore, as soon as the market prices decrease, Grand Mall Hypermarket will issue a debit note called Price protection to the concerned supplier as it is a regular practice in the Market. The amount result of a calculation: (Old cost price-new cost price) X Quantities on hand Quantities on hand will be the actual stock in the branches and warehouses.	Prices will be as per the LPO.	The clause is removed from agreement.
Page -4 SECTION N - DELAY OF DELIVERY BY AREA	The vendor will commit to deliver those areas as DSD or warehouse and if not possible to deliver on DSD to the branch, we will request him to pay 3% for the logistic costs (50% of our total logistic cost)	Delivery is carried out by QFI.	Logistic fee is revised to 0%.
Page - 4 SECTION O - SERVICE LEVEL (FILL RATE)	An opportunity loss compensation of 3% on total purchase will be paid by the Supplier if the service level [fill rate] is less than 90%. The fill rate will be calculated on yearly basis & deduction will be adjusted on immediate payment.	Not acceptable by QFI.	Opportunity loss compensation is revised to 0%
Page - 4 SECTION R - VENDOR CHANGE	Supplier Change Fee. QR.1000/SKU will be deducted by credit note.	Not acceptable by QFI.	Supplier change fee is revised to 0/- QR.
Page - 4 SECTION T - SAMPLING FEE	Sampling fee of QR.500/Day will be charged.	Not acceptable by QFI.	Sampling fee is revised to 0/- QR.
Page - 5 ANNEX 2 - CLAUSE 2 - PRODUCTS, PRICES AND SPECIAL TERMS - 2.2	The supplier shall give Grand Mall Hypermarkets at least thirty (30) days notice with the approval of Qatar Consumer Protection department in advance of any price revisions.	Prices are based on MOCI approvals.	The clause is removed from agreement.
Page - 6 ANNEX 2 - CLAUSE 26 - AGEING STOCK	Any products which are supplied prior to 180 Days and having a sale of less than 60% of supplied quantity will be considered as ageing stock. Grand Mall Hypermarkets have the rights to deduct the rebate on ageing stock returned to the supplier as it kept in our premises for the last 6 month.	Not acceptable by QFI.	The clause is removed from agreement.
Page - 6 ANNEX 2 - CLAUSE 27 - RE INVOICING FEE	There will be a deduction of 10% on products which are reinvocing without physically transferring products to maintaining visibility of product.	Not acceptable by QFI.	The clause is removed from agreement.

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