

DRAFT CONTRACT OF SELLING LOCAL PRODUCTS

Introduction:

Today, buying and selling of goods online have become an integral part of everyday life. Typically, E-commerce is the process of transaction of goods and services over the internet. Some of the examples of e-commerce platforms are Daraz, Sastodeal, Gayapu, Bhakari etc. These business entities generally have a list of registered vendors who list their products on these websites to sell or provide services to the customers. In a supply chain vendors are the party that provides goods and services to the companies or consumers in exchange for payment. A vendor can be both a supplier as well as a manufacturer of goods. Some of the types of e-commerce vendors are dropshipping vendors, wholesalers, and manufacturers. To set up and operate an online store it needs software and services which are also provided by e-commerce vendors.

An E-Commerce Vendor Agreement is an agreement between an online store owner and the supplier for sale and purchase of goods and services. For a binding contract, the essential terms of the contract, the offer made, the acceptance, and the relevant consideration have to be established. This article lays out an overview of the important factors of drafting an e-commerce vendor agreement.

Objectives of drafting an e-commerce vendor agreement

The purpose of entering into an agreement is to mainly rule out the possibilities of disagreements and build healthy relations between the parties to the contract. The objective of drafting an e-commerce vendor agreement are:

- To have a single definition for important terms which reflects an equal mindset of the parties and is interpreted in the same manner as was intended to be communicated by them.
- To create legally applicable rights and obligations and avoid legal issues.
- To describe roles and responsibilities.
- To create a road map for business relationships.

Recitals

The circumstances under which the vendor and the company have entered into the agreement and background information of the agreement are mentioned in the initial clauses of the agreement. Recitals are the first clause in the agreement that mentions the intentions of the parties entering into the contract.

- Vendor is engaged in the business of selling Local Products.
- Company owns “Website Name” located at the following URL: gdshopnepal.com and has many registered users to whom Company offer various services.
- Vendor is desirous of setting up an online store on the Website and has offered to sell its products through the said online store, Company has agreed to create the said online store upon according to the terms and conditions agreed between the parties herein.

The E-Commerce Vendor Agreement

Dated as August 30, 2020

Dear Sir/Mam,

This letter represents the formal agreement of the selling relationship between our brands and GD Shop. This agreement recognizes to provide professional expertise on behalf of our brands throughout the project with GD shop. In accordance with the agreed arrangements, Our Brands is to be paid the commission to the GD shop for selling their products in proper rate.

In accordance with the agreed arrangements, our brands is to be paid in full via direct deposit for the completion of their provided services on the project end date. Any additional compensation for an extension of Nepal Brands services shall be determined at that time, should such circumstances arise. Please sign below if you agree to the terms of this letter.

Purpose: GD shop and Our Brands will be entering into discussions involving to selling the products, which require GD Shop to disclose confidential information to selling the products on an ongoing basis. This agreement's purpose is to ensure confidentiality and to prevent from disclosing such confidential information.

1. Buyer is willing to buy a Local Products under the following conditions:
 - 1.1 Buyer declares that he/she has looked at the selection of different products provided by Seller. He/she provides the adequate information on the features and the purchase price of a different specific products to the vender company.

2. Terms of Purchase:

- Vender agrees that after the signing of this Agreement he/she will pay the commission which is rated by the selling platform. Buyer agrees that he will transfer the deposit and administrative expenses to Seller within 24 hours of the signing of the Agreement. Seller declares that the selected property is not subject of any litigation, debt, or claim.
- Seller warrants that no third party has any rights to the products which could impede the conclusion of a final purchase agreement.
- Seller shall ensure, at the time the final purchase agreement is signed, the required period of time shall be stipulated in a separate paragraph of the final Purchase Agreement. Buyer shall bear the costs of property registration.

3. Company not liable:

- The Company shall not be held liable or responsible for any loss, injury or damage to the Vendor, or any other party whomsoever, arising on account of any transaction under the Agreement or as a result of the Products being in any way defective, damaged, in an unfit condition, violating or those who infringing any laws they must be punish by company rules.
- The Vendor shall be solely liable for any damages, claims or allegation arising out of the Products offered for sale through its online store including but not limited to the quantity, quality, merchantability, price, use for a particular purpose, or any other related claim and shall not hold the Company liable for any such claims and damages.

4. Buyer understands that if he/she fails to meet the deadline specified above, the agreement will be rejected.
4.1 Seller shall issue an electronic invoice for the deposit and administrative fees in accordance with the effective legal regulations of bookkeeping.
 - The receipt must indicate the number of Buyer's order.

- In the case of incomplete data or inadequate amount of payment, Seller shall suspend the Agreement for as long as the adjustment of shortcomings is made.
- In case of incomplete or incorrect information or insufficient payment amount, responsibility rests with Buyer.
- Payment is effected by the Buyer from the time the funds are credited to the account of Seller.
- Buyer may print the invoice using the web office provided by Seller.

5. The Company shall promote the Products in the manner determined appropriate by the Company, which may include links to Strategic Partner's web sites, framing over various pages of Strategic Partner's web sites, or through mutual development of co-branded web pages. All sales of Products will be effected through Strategic Partner's billing, server and computer systems, unless otherwise provided for in Exhibit 1. At some future point, billing may be done through the Company in an arrangement to be mutually agreed upon by the Company and the Strategic Partner.
6. The Company shall pay the Vendor an amount recovered minus the sum of shipping charges, service charges, and shipment cost in respect of approved order(s) through the Online Store. The shipment cost will be levied by seller company rate.
7. Strategic Partner grants to the company a non-exclusive right to promote strategic Partner's products during the term of this agreement.
8. From the date of Deal, Buyer is entitled to take part in the promotional marketing program of the seller's products.

Conclusion:

Like any other agreement E-commerce Vendor agreement also needs a valid consideration in return for the services offered. This agreement is made between an e-commerce vendor and an online shop owner. There are many clauses like the name clause, recitals, parties clause, term and terminations clause, etc. which are part of any basic agreement and also forms part of this agreement. Clauses like obligation of Vendor, Company reserves rights are some of the clauses that are common only in such kind of vendor's

agreements. It is always suggested to include provisions that are mutually agreed between the parties to have a healthy business relation.

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Vender

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Seller