

AGREEMENT

FOR THE PRODUCTION, SUPPLY AND PURCHASE

Of

GREEN HOT PEPPERS

Between

THE COMPANY

And

REPUBLIC OF TRINIDAD AND TOBAGO

THIS AGREEMENT is made this _____ day of _____, 2010 between
.....(hereinafter referred to as “the
Buyer”) of the **ONE PART**; and (hereinafter
referred to as “the Farmer”) of the **OTHER PART**.

WHEREAS

1. The Buyer wishes to engage in the development of markets for fresh agricultural produce and value added products.
2. The Farmer is the owner of two acres of lands situate at more particularly described in the First Schedule hereto (hereinafter referred to as “the said lands”). The Farmer is interested in cultivating Green Hot Peppers as per the quality, quantity and price specified in the attached Appendix “A” (hereinafter referred to as “the Crop”) for sale to the Buyer.
3. The Buyer is interested in the production and purchase of Green Hot Peppers as per the quality, quantity and price specified in the attached Appendix “A’.
4. The Farmer at the request of the Buyer, has agreed to produce **two (2) acres** of Green Hot Peppers on a portion of the said parcel of land, as per the quality, quantity and price specified in the attached Appendix “A” and under the supervision and guidance of the Buyer in accordance with the specifications outlined in the attached Appendix “B”.

WITNESSETH

1. **THE BUYERS OBLIGATIONS**
 - a. The Buyer shall provide training in crop production and post harvest handling to the Farmer during the contracted period;
 - b. The Buyer shall provide on a per Crop basis planting material for the production of..... Green Hot Peppers;

- c. The Buyer shall provide all technical support required by the Farmer during the contracted period;
- d. Prior to the start of cultivation, the Buyer shall provide to the Farmer all specifications for cultivation of the Crop; and
- e. The Buyer guarantees to purchase all produce of a marketable quality as per quality, quantity and price as specified in the attached Appendix 'A' .

2. **THE FARMERS OBLIGATIONS**

- a. The Farmer shall cultivate, produce, harvest and package all Green Hot Peppers of a marketable quality grown on the said lands and immediately after harvest, deliver same to the Buyer at its Packinghouse, situate at as per the quantity and quality as specified in the attached Appendix 'A';
- b. The Farmer agrees to adopt instructions/practices with respect to land preparation, fertilization, pest management, irrigation, harvesting, post harvest handling and any other suggestion made by the Buyer from time to time and cultivate and produce the items as per the production guide specified in the attached Appendix "C";
- c. The Farmer shall undergo training on crop production and post harvest handling provided by the Buyer at such times and places as the parties shall agree upon;
- d. Save and except for planting material, the Farmer shall provide all inputs inclusive of ventilated produce crates and equipment required for cultivation of the Crop;
- e. The Farmer shall cultivate in a husband like manner Green Hot Peppers only, on lands described in the First Schedule hereto;
- f. The Farmer shall use only planting material supplied by the Buyer;
- g. The Farmer shall use only chemicals approved by the Buyer in cultivation of the Crop;
- h. The Farmer shall follow instructions on the manufacturer's label on the use and application of chemicals, pesticides and fertilizers in accordance with the guidance and instructions given by the Buyer;

- i. The Farmer shall harvest all produce from the said lands in accordance with instructions given by the Buyer and under its supervision;
- j. The Farmer must take steps to ensure that immediately after harvest all produce must be kept in a cool area away from direct sunlight and rainfall;
- k. The Farmer shall take reasonable steps to ensure that produce is packaged and transported in a manner, which is safe sanitary and hygienic;
- l. The Farmer shall not contract with any other persons to cultivate on the same lands Green Hot Peppers of the variety that is the subject of the present contract;
- m. Subject to Clause 3(b), (c) and (d) the Farmer shall not sell produce grown and harvested on the said lands to any person, individual or on the open market save and except to the Buyer; and
- n. The Farmer shall keep and maintain all production records required by the Buyer.

NOW THEREFORE THE PARTIES HEREBY AGREES AS FOLLOWS-

1 **TERM**

This Agreement is valid for a period of thirty two (32) weeks commencing the(day) of(month).....(year)and continuing through to the.....(day) of(month).....(year) or any other period as may be subsequently agreed by the Parties in writing. At the expiration of the said period, this agreement shall automatically come to an end.

2 **PAYMENT**

- a. the Buyer shall within eight (8) working days of receipt of an invoice for produce accepted make all payments as specified therein;
- b. in the event the Buyer is in arrears, the Farmer may withhold further delivery and dispose of the harvest until all payments are made.

3 **ACCEPTANCE**

- a. the Buyer shall receive all produce delivered at the Packinghouse within one (1) hour of arrival. Within two (2) hours of arrival, the Buyer shall conduct an acceptance/rejection inspection and forward a copy of such inspection report to the Farmer. The findings of such report shall be conclusive as per the grade and quality of the produce specified in Appendix 'A';
- b. after giving notice to the Farmer, the Buyer shall be at liberty to reject all produce delivered on account of condition, quality or grade. Details of such rejection must be given to the Farmer in writing. In the case where produce is not of the specified quality, the Buyer and the Farmer may renegotiate the price of the produce or the Farmer may with the consent of the Buyer, dispose of the produce. Failure by the Buyer to comply with this condition shall constitute irrevocable acceptance of the produce.

4 **RISK OF LOSS**

The risk of loss from any casualty to the produce, regardless of the cause will be the responsibility of the Farmer until the produce have been delivered to the Buyer at its Packinghouse. The Farmer shall ensure that the quality of the produce is maintained whilst in transit.

5 **INSPECTION**

During the term of this agreement, the Buyer through its employees or authorized representative shall have the right at periodic intervals and at reasonable hours in the Farmer's presence, to examine all records, pertaining to the growth of this crop, and carry out control checks regarding the observance of the obligations that derive from this contract and to take samples for testing and verification for compliance.

6 **FAILURE TO SUPPLY**

Subject to Clause 16, where the projected crop yield as specified in Appendix "A" has been realized and the Farmer fails, neglects or refuses to deliver the produce as agreed herein, the Farmer shall reimburse the Buyer all expenses incurred up to the time of such default in accordance with the criteria outlined in the attached Appendix "D".

Monitoring forms signed by both parties shall be conclusive evidence that farm visits were conducted by agents of **THE COMPANY**.

7 **PROJECT ADMINISTRATION**

The Manager, Quality Assurance, National Agricultural Marketing and Development Corporation shall guide and supervise all farm operations.

8 **CONFIDENTIALITY**

The Farmer shall not, during the term of this Agreement and within two years after its expiration, disclose any proprietary or confidential information relating to this Contract without the prior written consent of the Buyer.

9 **SECURITY**

The farmer shall be responsible for the safety and security of the Crop during the term of this agreement.

10 **ASSIGNMENT**

The Farmer shall not assign this Contract or Subcontract any portion of it without the Buyer's prior written consent.

11 **STATUS OF FARMER**

During the term hereby created, the Farmer shall be an independent Farmer and not the servant of the Buyer. In this capacity the Farmer shall bear exclusive responsibility for the discharge of any Income Tax, National Insurance, Health Surcharge, VAT liability and any other regulatory requirements.

12 **GOVERNING LAW AND DISPUTE**

The Laws of the Republic of Trinidad and Tobago shall in all respects govern the construction performance and validity of this Agreement.

Any disputes, differences and questions whatsoever arising between the parties hereto out of this Agreement or as to the rights duties or liabilities of the parties shall be referred to Mediation. The Mediator shall be appointed from a member of the Registered Association of Mediators or in the absence of such Registered Association from a list provided by the Dispute Resolution Centre, Trinidad and Tobago Chamber of Industry and Commerce. Any resolution arrived at in Mediation shall be binding upon the parties hereto.

Where the parties hereto fail to arrive at a resolution within ten (10) days of Mediation, the Mediator shall be appointed as arbitrator for the final determination of the dispute under the Arbitration Act, Chap. 5:01 or any statutory re-enactment, amendment or modification thereof for the time being in force.

13 **MODIFICATION /WAIVER**

The failure by either party to enforce at any time or for any period of any one or more of the terms or conditions of this Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all the terms and conditions of this Agreement.

No change to, addition to or waiver of any of the provisions of this Agreement shall be binding upon either Party unless same is reduced in writing, and signed by an authorized representative of each Party.

14 **SEVERABILITY OF PROVISIONS**

If any of the provisions of this Agreement shall be held to be void, voidable, illegal, invalid or otherwise unenforceable, such invalidity shall not affect any other provisions which can be given effect without the invalid provisions and to this end, the provisions of this Agreement are intended to be and shall be deemed severable.

If any of the provisions of this Agreement shall be held to be void, voidable, illegal, invalid or otherwise unenforceable, the parties shall amend that provision in such reasonable manner as achieves the intention of the Parties without illegality.

15 **TERMINATION**

- a. Where the Buyer is in breach of this Agreement, the Farmer may by verbal notice to be confirmed in writing require the Buyer to remedy the breach within seven (7) calendar days, and where the Buyer fails to

comply with the notice, the Farmer may terminate this agreement or take such action as is deemed fit without further notice;

- b. Where the Farmer is in breach of this Agreement, the Buyer may by verbal notice to be confirmed in writing require the Farmer to remedy the breach within (7) days and where the Farmer fails to comply with the notice, the Buyer may terminate this agreement or take such action as it deems fit;
- c. The Buyer reserves the right to terminate this Agreement at any time by notice in writing, should there be serious misconduct on the part of the Farmer, its servants or agents (including the filing of criminal charges against the Farmer). In such event, the Buyer shall be entitled to reimbursement for all monies expended pursuant to its obligations hereto;
- d. In the event of breach by the Buyer, the Buyer shall be liable for any damages suffered by the Farmer, including the actual cost incurred up to the time of such breach.
- e. The termination of this Agreement, for whatever reason shall not prejudice the accrued rights or liabilities of either party hereto.

16 **FORCE MAJEURE**

Both parties shall without liability, be released from their respective obligations, in the event of acts beyond their reasonable control; such as national emergency, war, prohibitive governmental regulation, low production caused by the serious outbreak of diseases, epidemic, or by abnormal weather conditions, flood, drought, earthquakes, fire or other catastrophes or if either of them renders the performance of this Agreement impossible.

17 **SET OFF**

The Farmer hereby authorizes the Buyer to deduct from any amount payable to the Farmer (whether or not arising out of this Agreement) all amounts, which may be payable to the Farmer by the Buyer by reason of the Farmer's failure to perform its obligations under this Agreement.

18 **BEST EFFORTS**

Both parties shall during the period of this agreement act in good faith diligently and honestly with each other in the performance of their responsibilities under this agreement and nothing will be done to jeopardize the interest of the other.

19 **HEADINGS**

Headings contained in this Agreement are for reference purposes only and shall neither be construed as forming part of this Agreement nor be deemed to be any indication of the meaning of the Clauses to which they relate.

20 **ENTIRE AGREEMENT**

This Agreement, including the Appendices, embodies the entire understanding of the parties and there are no promises terms, conditions or obligations oral or written express or implied other than those contained herein. All previous agreements and arrangements, if any, made between the Buyer and the Farmer are hereby canceled but without prejudice to any rights which have already accrued thereunder to either party.

IN WITNESS the parties have hereunto set their hands the day and year first written above.

THE FIRST SCHEDULE HERETO

ALL AND SINGULAR

SIGNED by the within named)
..... for and on)
for and on behalf of the THE COMPANY.....
in the presence of:)
)

SIGNED by the within named)
)
 for and on behalf of)
 in the presence of:)
)
)

Appendix "A"

GREEN HOT PEPPERS
QUANTITY, QUALITY AND PRICE SCHEDULE

No.	Quality	Classification of grade	Quantity (Kg)	Price/kg
1.	Export Grade Green Hot Peppers:	Clean Fresh Mature green Firm with characteristic shape; Green in colour Size: Large and medium Stem intact; Free from damage and blemishes shall not exceed > 5% of the surface area; Free from pest Lot Tolerance Not more 10% by number or weight of hot pepper shall fail to meet the specifications of this grade Size Diameter - 4.0 - 5.0 cm Height - 4.1 cm to 6.0 cm	20,000.lbs per Acre	\$8.80

Appendix "B"

GREEN HOT PEPPERS
SUPERVISION AND GUIDANCE SPECIFICATIONS

No.	Item	Time Frame
1.	Facilitation of soil tests on identified fields	Within two weeks of signing contract
2.	Identification of planting schedule	Within one week of signing contract
3.	Identification of production guidelines for crop	Within four weeks of signing contract and follow up with weekly visits commencing with transplanting of seedlings
4.	Supply of seedlings to farmer	Within one week of commencement of planting the crop
5.	Monitoring of fields for presence of pests, diseases, adherence to cultural practices and inspection of records	At least once per week on a mutually agreed day during the growth phase. At least one day during harvesting operations. On the day after harvest. Within two days of a recommendation to the farmer to ascertain level of compliance to the recommendation. At the end of each week to ascertain projected harvest for the following week.
6.	Identification of harvest schedule	Within two weeks of harvest
7.	Provision of advice on quality requirements and harvesting	Training on quality requirements conducted within six weeks of signing of contract either on farm or off site. Training conducted with farmer at least one week prior to harvest. Arrangements for delivery to the COMPANY Packinghouse finalized with farmers at the end of each week for the following week.
8.	Provision of advice to good agricultural practices	During weekly visits. In classroom sessions at least once per crop life.

Appendix "C"

GREEN HOT PEPPERS PRODUCTION GUIDE

Always use High Quality, healthy seedlings preferably 4-5 weeks old

NB: Fertilizer application will be based on a comprehensive soil test; if unavailable

Starter Fertilizer: 2 oz/plant deep placed in the planting hole 12:24:25

1 mth later: 1 oz 12:12:17+ 2 placed in the drip circle and every 4-6 weeks 1 1/2 oz/plant 12:12:17+2 for the life of the crop. Adjustments to rate and interval will be adjusted depending on growth, weather etc

Option 2: N -80-120: P2O5 35-50 and K2O 120-150 Kg/ha

- 4-6 bags Urea 2-3 bags TSP + 4-5 bags MOP
- Apply a starter solution at transplanting eg 10-55-10 Apply the NPK solid fertiliser in 1/2 circle 3-4" deep and
- 3-4" away from the plant's stem
- Apply all the P and 1/2 the K and 1/3 N at 3-5 days from transplanting
- Apply the rest of the K 4-6 weeks later
- Side dress N every 3-4 weeks in drip line covered with soil or irrigation after
- Fertigation- every 2 weeks 13-0-44 or 5-5-45 or 5-10-27
- 4-5kg/100 galls water

Apply **Rezist** 45ml/gall to seedlings in nursery 1 week before transplanting for Viral management

Transplanting: Applied as a soil drench at the base of the plant only: Do not apply over the plant

Nitro Plus@15ml +X-tra Power@ 45 ml + 10: 55: 10 Harvest More 2tsp+ Phytoguard Cal 10ml/+ Soil Insecticide

Options to Nitro Plus- NewFol Ca + New Fol Mg + New Fol B- 1 TBSp each/gall;
CalMax-15 ml/gall

Option to 10:55:10 Harvest More----- 10:45:10, 15-30-15, 9-45-15

Options to PhytoGuard Cal- Banrot@2tsp/gall + 3 TBSp/gall Rizolex or Alliete+Rovral, Phyton-27@10 ml/gall, Ridomil + Rizolex

Suggested Soil insecticides: Bio-Neem, Neem-X, Azadirect, Fastac, Delta M etc

7-10 days: **Nitro Plus@ 15ml/gall + 5:18:2 Harvest More 1TBsp+ Admire @ 25 ml/gall + Carbendazim @ 5ml/gall**

Options to Admire-

7-10 Days: **Nitro-Plus** @ 30ml/gall + **Vine Mix** @ 30ml+ @ 2 tsp + **Rezist** @ 45ml+
Insecticide

Option to Nitro Plus + Vine Mix- NewFol Plus @2 TBsp/gall or CalMax + ZMC Express

Option to Rezist: Greenstim+ Cytokin+ ZMC Express, BioLife @10ml/gall(multiple applications

7-10 days: **Folizyme**@30ml+ **X-cyte** @ 5ml+ **Top Cop** @15ml + Delta M or Newmectin)

Options to

Top Cop: Phyton-27 @10 ml/gall based on compatibility with pesticides

Folizyme: NewFols Plus +Ca+ K;

X-Cyte: Cytokin@10ml/ gall

Delta M- Fastac, SuperTak

Newmectin- Ecomectin; Cure; Pyrate

7-10 days: **Sett** @ 30ml+**Stimulate 5ml/4 gall** +**13:0:44 HM** @1TBSp + **Golden Pest Spray Oil**@30ml+ Newmectin or Delta M(May shorten interval depending on the level of mites)

7-10 days: **Sett** @ 30ml + **Vine Mix** 30ml + **13:0:44 HM**@ 1 TBSp (**Rezist @ 20 ml or Top Cop 20ml**)

Options to

Sett- NewFol Ca; CalMax

7-10 days: **Sett** @ 30ml + **Stimulate 5ml/4 gall** +**5:5:45 HM** @ 1TBSp + **Golden Pest Spray Oil**@30ml

Options to Stimulate: Evergreen @10ml/gall

Golden Pest Spray Oil- Oberon to kill eggs

7-10- days: **Folizyme**@ 30ml + **5:5:45 Harvest More** @ 1TBsp +**Top Cop** 20ml

7-10- days: **Sett** @30ml + **X-cyte** @ 5ml +**13:0:45 HM** @ 1TBSp + **Golden Pest Spray Oil**@30ml

7-10-Days: **Sett** @ 30ml+ **5:5:45 HM** @ 1TBSp + **Vine Mix** @ 30ml + **Top Cop**@20ml

7-10 Days: **Folizyme** @ 30ml+**Stimulate 5ml/4 gall** +**5:5:45 HM** @ 1TBSp +**Glden Pest Spray Oil**@30ml

NB: Where there is adequate N, replace Nitro Plus 23 with Sett. Where there is heavy leafy-ness, green, vegetative growth, fertiliser, introduce **Nitrate Balancer or Sugar Mover (these are not NPK)**to promote flowering and fruiting etc (Sett +X-cyte+ Nitrate Balancer). Adjust intervals on the crop growth. Soil applied Fertilizer may need to be

adjusted as the products increase efficiency of uptake. Review fertilizer application intervals and quantity.

- All rates given above are for a knapsack x gall
- When using the Mistblower apply x 2 ½ times the knapsack rate. MB may be used from 2nd week after transplanting
 - i. **REZIST** To be used at first signs of Viral diseases(TMV, Gemini Leaf Curl Virus
 - ii. **BIOFORGE** and **CALGUARD** for Phytophthora, bacterial specking and other soil diseases
 - iii. **BioForge** where phytotoxicity due to herbicide drift, herbicide carry over, fertilizer or high pesticide rates etc
 - iv. **GOLDEN PEST SPRAY OIL** 2-3TBS/gall for control of mites, white fly, thrips, aphids, mealybugs, leafminers, some caterpillars applied at cool time preferably in afternoon
 - v. It is possible to get good control of pest and diseases with applications of 10-14 days for **TOP COP** and **GOLDEN PEST SPRAY OIL**
 - vi. A second application of **REZIST** may be needed about 2-4 weeks after the first application for the control of viruses

Appendix "D"

REIMBURSEMENT SCHEDULE

No.	Item	Units	No. of Units	Unit cost
1	Seedlings	Crates (128's)		\$ 40.00
2	Soil test	Sample	1	\$400.00
3	Consultant Visit	Per visit		\$750.00
4	Field Officers Visit	Per visit		\$337.00