

[2/10]

ANNEXURE-III

AGREEMENT TO SUPPLY GOODS AND GUARANTEE TO PAY FOR SAME

This agreement made between..... (hereinafter called the merchant) of the first part and.....(hereinafter called the tradesman) of the second part and.....(hereinafter called the surety) of the third part.

Whereas the said merchant has, at the request of the said tradesman agreed to supply him from time to time for purposes of his trade with (description of goods) *on credit but so as not to exceed at any time Rupees.....in value at trade prices and on the conditions hereinafter contained:*

Now these presents witness that he the said merchant in consideration of the agreement on the part of the said tradesman as also of the said surety hereinafter expressed hereby agrees to supply the said tradesman from time to time upon the usual terms of credit in the business with (description of goods)for the purpose of being used in the business of the said tradesman but so as that the total goods so supplied shall not at any time exceed in value at trade prices the sum of Rupees.....;

And the said tradesman hereby agrees to duly pay the said merchant for the goods from *time to time* to be supplied to him as aforesaid as when and their prices shall respectively become due according to the custom or conditions of the business of the said merchant. And the said surety in consideration of the agreement on the part of the said merchant hereinbefore contained hereby agrees that he will pay the said merchant (his executors, administrators, representatives or assignors) all and every such sum or sums of money as shall from time to time or at any time hereinafter during the continuance of the agreement become due to him from the said tradesman for articles to be so supplied as aforesaid but not exceeding in the whole for the time being the sum of Rupees.....;

And it is further mutually agreed that the guarantee hereby given shall be deemed a continuing guarantee but the said surety shall not any any time be responsible for or become liable to pay the said merchant more than the balance which may for the time being be due to him from the said tradesman, not exceeding in the whole the sum of Rupees.....and that no proceedings whatever shall be taken against the said surety, or his heirs, executors and administrators, for the recovery of such sum or any part thereof until the expiration of.....days' notice in writing has been given to him or them, of default having been made by the said tradesman in payment thereof or of some part thereof and requiring the said surety or his heirs, executors or administrators to pay the same;

And also that in the event of the said tradesman refusing or neglecting to pay such sum of money as may, for the time being be due from him for articles supplied to him as aforesaid or of his becoming insolvent or filing any petition under the insolvency laws or compounding or attempting to compromise with his creditors he the said merchant, his executors and administrators, shall resort to and recover from him the said tradesman or his estate so much of the said debt or sum then due from him as can be contained or recovered from him or his estate before requiring payment thereof from the said surety;

And also that the guarantee hereby given may be determined by the said surety at any time by written notice and payment of the amount then due to the said merchant either for the said tradesman or the said surety;

In witness whereof the parties hereto have hereunto affixed their respective signatures in the presence of witnesses of the day and the year above-mentioned.

SIGNATURE OF THE
MERCHANT

SIGNATURE OF THE
TRADESMAN