



STANDARD OPERATING PROCEDURES (SOP)

BETWEEN

NATIONAL SEED CENTRE

DEPARTMENT OF AGRICULTURE

MINISTRY OF AGRICULTURE AND LIVESTOCK, BHUTAN

AND

“M/S TAKII & CO., LTD.” (SUPPLIER)

JAPAN

IN THE IMPORT OF SEEDS AND ITS PAYMENT PROTOCOLS

PREAMBLE

This SOP is executed on the import of seeds and its payment SOP between the National Seed Center, Department of Agriculture, Ministry of Agriculture and Forests, Royal Government of Bhutan (hereinafter referred to as the "Buyer"), and "M/s TAKII & CO., LTD.", Japan incorporated under the laws of Bhutan (hereinafter referred to as the "Supplier"); and individually referred to as "Party" and jointly the "Parties".

The buyer is a government agency having its head office in Paro, Bhutan that engages in the import and supply of various agricultural inputs and related products and services through its distribution and dealership network.

Similarly, the Supplier is an international seed company located at its head office in Kyoto 600-8686, C.P.O: Box 7, Japan specializing in hybrid seeds production and marketing.

The buyer intends to collaborate with the supplier for the import of quality-assured seeds through mutually agreed terms and conditions.

THEREFORE, the Parties hereafter agreed to the standard operating procedures stipulated herewith as follows:

SCOPE OF WORK

The Parties agreed to collaborate towards the fulfillment of the following scope of work under these SOP:

- (1) Annual import/export of seeds as per the requirement of the buyer (NSC).
- (2) Payment settlement for seeds after fulfilling all required documents.
- (3) Shipment of the seeds to the National Seed Center, Paro, Bhutan through "couriers" with all required documents after confirming receipt of payment.

RESPONSIBILITIES OF THE BUYER:

1. Accordingly, the National Seed Center will place the demand for seeds to "MS TAKII CO., LTD." well in advance and as per seasonal requirement.
2. The buyer shall process all the required documents and make full payment of the seeds based on the Pro forma invoice.

RESPONSIBILITIES THE SUPPLIER:

1. The supplier shall issue a Pro forma invoice after confirming the availability of seeds in stock.
2. The supplier shall immediately start packing seeds once the quality and demand is confirmed.
3. After confirming the receipt of full payment, the supplier shall dispatch the seeds by air with invoice, packing list, phytosanitary certificate and Non-GMO certificate.

PRICE AND PAYMENT MODALITY

1. The seed price will be inclusive of unforeseen expenses delivery to NSC, Paro, Bhutan.
2. The price of each product defined in "PRICE LIST" for each year commencing on the July 1st shall be negotiated and agreed upon between the Parties not later than three (3) months prior to the commencement of such date."
3. The bank charges of the payment shall be borne by the buyer and therefore, the buyer shall bear the risk until the deposit is confirmed by the supplier.

INSURANCE AND PERFORMANCE SECURITY

1. The normal tendering procedure is not applicable with the "MS TAKII & CO., LTD." Japan as the seeds/varieties produced by the supplier are not produced by other seed companies. These varieties are their own creation and available with them only.
2. "MS TAKII & CO., LTD." as been working with the National Seed Center for more than 20 years and strong working and business trust and belief have been established between NSC and "MS TAKII & CO., LTD."

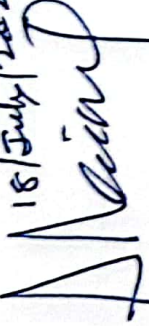
3. Till date no breach of trust or any violations have occurred related to the seed quality and payment. The growth of the company business between the parties is purely based on the assured seed quality and trusted service delivery internationally.

COMMENCEMENT, VALIDITY, AND RENEWAL

1. "The term of this SOP shall be one year from the date of conclusion of this SOP, provided, however, that the Parties may extend the term by mutual agreement, either in writing or electro-magnetic form."
2. The Parties may negotiate and come to agreement for any kind of addition and removal of clauses / terms and conditions as arise for the betterment of the seed business and growth.
3. Supplier or Buyer may terminate this SOP by written notice to the other taking into account a notice period of 3 months, in the event:
 - I. Supplier or Buyer fails to observe one or more of the terms of this SOP and fails to remedy the same (where it is capable of being remedied) within 30 days after request for remedy by notice of Supplier or Buyer;
 - II. Supplier or Buyer becomes insolvent; or
 - III. Supplier or Buyer has merged with, or become under control of a company, organization or person whose activities, may compete against, or damage, or otherwise adversely affect business of Supplier or Buyer

SETTLEMENT OF DISPUTES

Any dispute or difference between the parties arising out of the interpretation or implementation of this SOP shall be settled amicably through mutual consultation or negotiations. In the event, the mutual negotiation fails; the matter will be referred to the Court of law in Bhutan/Japan depending on the prejudice/ rights of the parties.

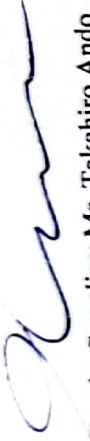
Date: 18/July/2023


For the Buyer: Mr. Deepak Rai.

Offg. Program Director, NSC
Contact: +975 8 271262/264

drai@moaf.gov.bt

Date: July 1st 2023



For the Supplier: Mr. Takahiro Ando

Director of TAKII & CO., LTD.
Contact: vegetable_cs2@takii.co.jp