

# Example of the contract

## 1. SUBJECT OF THE CONTRACT

1.1. According to the Contract the Seller shall supply to the Buyer and Buyer pay the Goods according to signed Appendixes, being by an integral part of the Contract.

## 2. PRICE AND TOTAL VALUE OF THE CONTRACT

2.1. Total amount of the contract.

The value of the goods could be fixed on the bases of theoretical weight/length and could be different from actual noted in packing documents, but such tolerance has not be exceed +/- 10%.

Should the final weight/length of the shipped materials appear to be more than the theoretical one, the arisen positive difference in its final amount has to be paid to the Seller's account not later than within 20 (twenty) working days after the date of shipment.

Should the final weight/length of the shipped materials appear to be less than theoretical one, the arisen negative difference in its final amount has to be reimbursed to the Buyer's account not later than within 20 (twenty) working days after the date of shipment.

2.2 Final amount of the contract should be detected based on Invoice which contains factual weight/length of the Goods.

## 3. TERMS OF DELIVERY

3.1. Terms of delivery discussed and indicated.

3.2. The delivered goods should be accompanied by the originals of following documents in Russian/English language agreed in advance with the Buyer:

- Invoice including a reference to the country of the Goods' origin and its' customs (HS) codes;
- Packing list;
- Quality (test report) certificates as per 3.1 form (EN 10204:2004) issued for each item of Appendix;
- Certificate of origin.

3.3. Copy of packing list must be sent to the Buyer's e-mail address or by facsimile message together with notification of the Good's readiness.

3.4. Copies of all the documents mentioned in pp. 3.2. must be sent to the Buyer's e-mail address or by facsimile message within 2 (two) working days after the Goods are shipped.

## 4. TERMS OF PAYMENT

4.1. The payment terms are indicated in the Contract.

## 5. PENALTY

5.1. In case of delay with the Goods readiness for shipment against the dates stipulated by the Contract the Seller is to pay the Buyer a Liquidated Damages at the rate of 0.1% of the delayed Goods price for each full week of the first four weeks, and 0.25% for each following full week thereafter up to a maximum of 2,5% of the delayed Goods price, all penalties start calculating after 7 (seven) days grace period.

The amount of the agreed and liquidated damages is not a subject to alternation by Arbitration. Payment of the agreed and liquidated damages is considered as the Buyer's sole remedy for delivery delay.

5.2. In case of a delay in payment exceeding 2 months, the Seller shall have the right to cancel the Contract wholly or suggest the revision of the present Contract.

5.3. In case of delay in delivery exceeding 3 months the Seller can be obliged by the Buyer to return the funds which were transferred by the Buyer into its bank account, before expiration of 170 (one hundred and seventy) calendar days after receipt of the sum of advance payment by the Seller.

## **6. QUALITY AND QUANTITY OF THE GOODS**

6.1. Quantity of the shipped Goods shall be in full conformity with Appendixes of the Contract.

6.2. Quality of the Goods delivered under the Contract shall be in full conformity with the technical conditions indicated in the Contract and should be confirmed by the manufacturer's certificate of quality per form 3.1 (EN 10204:2004).

## **7. PACKING AND MARKING**

7.1. The Seller is to take all measures so that the packing assures intactness of the goods during transportation, loading and unloading. The Seller is responsible for Good's damages during transportation, loading/unloading and storage of the Good's as a result of unsatisfactory packing.

Marking must be applied in accordance with requirements of the standard.

## **8. DELIVERY AND ACCEPTANCE OF THE GOODS**

8.1. With Goods delivery to the Buyer, the Parties should sign the Statement of Goods Acceptance, confirming the Goods delivery.

8.2. The goods are considered as delivered by the Seller and accepted by the Buyer:

- On quantity of places according to waybill.
- On quality according to the manufacturer's certificate.

8.3. The claims in regard to quality and/or quantity of goods may be made not later than within 20 days from the date of signing of CMR. The Buyer can't use the Goods for which was issued the claim.

8.4. The Seller obliges to study and send an answer to the Buyer against a claim within 10 (ten) calendar days from the date of the claim was sent.

In another case the claim considers as accepted by the Seller and the Seller must remove all defects of quality of the supplied Goods and replace it not later than for period of 20 (twenty) calendar days.

## **9. FORCE MAJEURE**

9.1. If either party is prevented in fulfillment of the terms and conditions of this contract by fire, natural catastrophe, war, any kinds of military operations, export or import embargoes or by any other circumstances beyond control of the parties, the fulfillment of the contract terms and conditions shall be extended by the period of duration of such circumstances.

9.2. The party which is unable to fulfill its contractual obligations must in 3 days time notify the other party of this. Written notice given by the Chamber of Commerce of the country of the Seller or the Buyer will be considered as an appropriate evidence of the above mentioned circumstances.

9.3. If these contingencies will continue more than 30 days the parties shall be entitled to cancel the Contract and in this case none of the parties has the right to require from the other party any compensation for damages, caused by cancellation of the Contract, except for the return of advance payments.

## **10. ARBITRATION**

10.1. The Seller and the Buyer will settle all disputes which may arise under the Contract or in connection with it by means of negotiations.

10.2. If not amicably settled, disputes arising in connection with this Contract will be subject to the decision of the arbitration procedure in special district court of Kyiv city in accordance with legal system of Ukraine.

## **11. OTHER CONDITIONS**

11.1. The Contract enters into force from the moment of signing.

11.2. Neither of the parties is entitled to transfer its rights and obligations under the Contract to a third party without a written assent of the other party.

11.3. The Contract is composed in two copies in Russian and English languages, both having the same validity.

11.4. In case of discrepancies of texts the basic version will be the Russian one.

11.5. The Contract, all Amendments and Addenda approved by the Parties and transferred by help of facsimile communication are considered valid until the moment of the receipt of originals. The originals must be provided within 30 (thirty) working days after the copies are signed.