

# COMMERCIAL CONTRACT

Concluded today, ..... at .....

## **I. CONTRACTING PARTIES**

1.1. .... having the premises in .....,  
.....str., registered at The Trade Office under no. ...., having the  
fiscal code no. ...., account no. .... opened with .....  
bank, functioning under the regulations of ....., legally  
represented by Mr./Mrs./Ms..... citizen,  
having the passport ....., as **Seller**

and

1.2. .... having the premises in .....,  
.....str., registered at The Trade Office under no. ...., having the  
fiscal code no. ...., account no. .... opened with .....  
bank, functioning under the regulations of ....., legally  
represented by Mr./Mrs./Ms..... citizen,  
having the passport ....., as **Buyer**

agreed to the conclusion of the present commercial contract under the following terms:

## **II. OBJECT OF THE CONTRACT**

2.1. The object of the present contract is the selling to the buyer, after the later pays the due amount for ..... tons / cubic meters/ pieces, etc. of ..... under the terms of INCOTERMS 2000

2.2. The material's quantity will be determined at ..... partially/entirely.

The quantity will be attested by .....(the document's name) which will include the quantity, admitted quantity tolerances (plus/minus) for each delivery as well as for the entire quantity, the buyer's obligation to effect payment for the delivered quantity in the tolerable limits.

2.3. The technical and quality parameters for the material making the object of the present contract are those stipulated in annex no. 1 of the present contract.

2.4. The material's quality is to be determined by using the ..... method by a committee of ..... (no.) specialists from ..... (the material country of origin).

Annex no. 2 to the present contract will include: the devices used by the committee, laboratory analysis (if necessary), means of producing the samples, as well as the criteria for admitting or rejecting the material.

2.5. The committee will issue a quality certificate for the contracted material stating a complete description of the material, quality specifications, manufacturing date.

## **III. DURATION OF THE CONTRACT**

3.1. The present contract is concluded for a period of ..... years, starting on ..... until .....

3.2. The contracting parties can extend the duration of the present contract by an addendum, dully signed by both parties.

## **IV. DELIVERY TERMS**

4.1. The seller has the obligation to deliver the material to the address indicated by buyer on ....., according to his instructions.

Or

4.1. The seller has the obligation to deliver the first shipment on ....., according to buyer's instructions.

Or

4.1. The delivery will be effected between ..... and ....., but no later then ....., dead end that included the following conditions: all tests and analysis must be completed successfully, L/C granted, as well as the export/import license.

4.2. The delivery term can be postponed in case unpredictable events arise.

4.3. Advance deliveries can be effected only with the written approval of the involved parties.

#### **V. THE PRICE**

5.1. The total value of the material amounts to ..... USD/Lei. The price, for each sort of material is the one specified at annex no. 3 of the present contract.

5.2. The price included transportation expenses up to .....

#### **VI. PAYMENT TERMS**

6.1. The buyer will effect payment to the seller on the basis of ..... by .....

The buyer will take all legal measures for effecting payment under the provisions of the present contract.

6.2. Payment will be effected on ..... by.....

6.3. Payment will be effected by the following documents: .....

#### **VII. PACKING AND MARKING**

7.1. The seller has the obligation to ensure an adequate wrapping in order to protect the material during transportation. The wrapping will not affect the transportation price and will be adapted to the specific of the transportation means.

7.2. In case the materials do not require wrapping by their nature, the seller must deliver them using adequate transportation means, in order to avoid deterioration.

Annex no. 2 to the present contract includes the protection methods to be used for this kind of deliveries.

7.3. For materials requiring inner packing, the seller has the obligation to ensure a light, esthetic and resistant packing usable when distributing the material.

7.4. The seller has the obligation to transport the material in containers.

7.5. The seller has the obligation to mark the packing, in order to enable the handling and the commercial publicizing of the products.

7.6. The wrappings will be accompanied by packing sheets bearing denomination and type of product.

7.7. The marking in ..... language will contain:

- a. product's name;
- b. manufacturing date;
- c. bruto-neto weight;
- d. manufacturing place;
- e. other elements established by the parties according to the type of the product.

#### **VIII. CONDITIONS OF DELIVERY**

8.1. The material will be delivered in accordance with the INCOTERMS 2000 rule .....

8.2. The seller will inform the buyer, beforehand, the date when the material reaches the border, as well as:

- total net weight of the material;
- the consignee;
- the name and address of deliverer.

8.3. In 24 hours from shipment's arrival, the buyer will ensure the discharging and apply the contract's provisions.

### **IX. GUARANTEES**

9.1. The seller has the obligation to issue a quality certificate or an analysis bulletin for the material. Non completion of stipulations of these documents comply the seller to substitute or replace the non corresponding products or to give discounts or benefit of an increased price for a superior quality then the one stipulated in the contract.

9.2. For the products to be used immediately after delivery, the seller establishes a sole guarantee term. This term starts on ..... and is valid until ..... . The guarantee can be extended under the following terms: ..... and expires .....

9.3. For the products that will not to be used immediately after delivery, 2 guarantee terms apply: one, the manufacturing date, starting on ....., and the other starts on ....., the delivery date - term ensuring that the product is not stored for a long period of time and thus its deterioration is avoided.

9.4. For the products requiring an availability term, the seller will mention:

- a. duration of the guarantee;
- b. cases when the guarantee term ends or is extended;
- c. the dates when deliveries begin and when they end;
- d. documents that show the material's quality.

9.5. During the availability term, the seller has the obligation to provide technical assistance and exchange pieces these operation being free of charge.

9.6. The seller is responsible of the hidden and apparent faults material's quality he is delivering to the buyer.

### **X. CONTROL AND RECEPTION OF MATERIAL**

10.1. The seller has the obligation to make the delivery at the established place and transfer to the buyer the property of the material after having received the due payment.

10.2. The buyer has the obligation to take over the material once the quantitative and qualitative reception is effected. The participants to the reception operation will sign a reception minute drawn after the reception is final.

10.3. In case the reception results do not permit the buyer to take over the material, the later has the obligation to store the material in adequate conditions, being responsible of its custody; all related expenses are on seller's behalf.

10.4. Reception will take place at ....., the ones in charge being .....

The buyer's authorized representative is to notify the seller, in a reasonable period of time, of any default or inconvenience discovered during the control, otherwise, the buyer gives up his rights by non notifying the seller.

10.5. In case the buyer decides to reject the material, he has to act decisively by notifying the seller and ask for instructions so that the seller can take the necessary measures in order to limit the losses.

10.6. If it is the case of partial deliveries, for each partial delivery, the seller and buyer will conclude separate addendums, the defaults arisen at one partial delivery will not affect the following deliveries.

10.7. The material's rejection is not equivalent to cancellation of the contract.

10.8. The risks triggered by rejection of material are on seller's account.

#### **XI. WAYS OF EFFECTING THE TRANSPORTATION**

11.1. Transportation will be effected .....

or

11.1. Combined transportation will be effected .....

#### **XII. COMPLAINTS**

12.1. The buyer is entitled to claim the qualitative and quantitative incongruities, defaults determined by hidden or apparent faults or other causes generated by seller's negligence.

12.2. Any complaint is to made in ..... months/years after the buyer takes over the material from seller, in written form, and will compulsorily include:

- The object of the complaint;
- The period of their drawing-up;
- Proof of the object of the complaint;
- Checking up method to be used;
- Causes that determined the claimed incongruities;
- The necessity of storing the material in a warehouse during a determined contractual term;
- Method for covering the claims (replacement, repairing, bonuses).

12.3. In case of defaults due to faulty transportation, the buyer will complain to the carrier notifying as well the seller.

#### **XIII. PARTIAL INVALIDATION**

13.1. Total or partial cancellation of contractual clauses does not affect the already existing obligations between the parties.

13.2. Stipulations of previous paragraph do not exonerate from liability the party that determined the cancellation of the contract from his fault.

#### **XIV. CESSION OF THE CONTRACT**

14.1. The contracting parties are not allowed to cession their rights and obligations of the present contract to a third person without the written approval of the grantor.

14.2. The approval stipulated in the previous paragraph must be communicated by the assigner in ..... days from the date the grantor asked for his approval, otherwise, it is presumed that the assigner did not approve the cession of the contract.

#### **XV. FORCE MAJEURE**

15.1. The contracting parties are not liable for the non execution in due time or for the inappropriate execution of the contract - totally or partially - of any of its provisions if the non execution or the inappropriate execution is caused by a force majeure situation as defined by law.

15.2. The party invoking a force majeure situation has to notify the other contracting party in ..... (days/hours) and take all necessary measures in order to limit the consequences.

15.3. If in .....(days/hours) from the occurring of the force majeure situation it does not cease, the parties have the right to notify the contract's cancellation; in this case, the parties cannot claim damages.

#### **XVI. CRIMINAL CAUSE**

16.1. In case one of the parties does not fulfill its contractual obligations or fulfills them inappropriately, he has the obligation to pay the other party penalties and damages amounting to ....., as follows: .....

#### **XVII. NOTIFICATIONS**

17.1. Each notification is considered valid only if the parties address it to the premises stipulated in the introductory chapter of the present contract.

17.2. In case the notification is sent by mail, it is to be accompanied by a confirmation receipt and it is considered received by the addressee on the date stamped by the post office on the confirmation receipt.

17.3. In case the notification is sent via fax machine or telex, it is considered received the next week days ulterior to its delivering.

17.4. Verbal notifications are taken into consideration by none of the parties unless they supported by one of the modalities above stipulated.

#### **XVIII. LITIGATIONS**

18.1. In case litigations cannot be settled amicably, they will be deferred to The International Commercial Arbitration Court through The Chamber of Commerce and Industry of United Kingdom, in according with its current regulations.

#### **XIX. CANCELLATION OF THE CONTRACT**

19.1. The present contract is fully cancelled, without being necessary the intervention of a court of law, in case one the parties:

- Does not fulfill one of the essential obligations presented at art. ....of the present contract;
- Is declared incapacitated to make payments or the liquidation (bankruptcy) procedure started before the contract's execution began;
- Assigns his contractual rights and obligations without the other party's consent;
- Breaks one of his obligations after he has been previously notified in written form by the other party that a new violation will lead to cancellation of the present contract.

or

- In ..... days upon reception of the notification stating that he did not fulfill / properly fulfill any of his contractual obligations.

19.2. The party invoking a cancellation cause of the present contract will advise the other party in ..... days before the cancellation comes into force.

19.3. Cancellation of the present contract will not affect in any way the already existing obligations between the contracting parties.

19.4. Provisions of present chapter do not exonerate from liability the party that caused the cancellation of this contract from its fault.

#### **XX. FINAL CLAUSES**

20.1. The present contract can be modified only by addendums concluded between the contracting parties.

20.2. The present contract, together with the annexes that are dully part of the contract, represents the parties will and invalidates any verbal agreement - prior or ulterior to the conclusion of the present contract - between the parties.

20.3. In case the parties break their obligations and the party in default does not claim its proper execution or ask for damages, doe not mean that he gave up this right.

20.4. The present contract has been concluded in ..... folds, today....., the date it has been dully signed.

**SELLER,**

**BUYER,**