**SALES AND PURCHASE AGREEMENT**

Contract No.: XXXXXX

DATE: XX,XX 2020

**THE SELLER**

Name:

Add P.O. Box:

Represented By:

Phone:

Email:

**THE BUYER**

Name:

Reg. no:

P.O. Box:

Represented By:

Phone:

Email:

This agreement is made by and between the Buyer and the Seller; whereby the Buyer agrees to buy, and the Seller agrees to sell the under-mentioned goods on the terms and conditions stated below (The trade terms in this contract should be interpreted according to the Incoterms 2010):

**CLAUSE 1 - COMMODITY OF PRODUCT:**

**CLAUSE 2 – ORIGIN:**

**CLAUSE 3 – QUANTITY:**

The contractual quantity of the commodity sold and purchased under this agreement is Quantity of 1,235,000 Metric tons, with a variation of plus minus (5%) five percent as Seller’s option. The first **trial** shipment of 35,000 Metric Ton and monthly delivery of the commodity is 100,000 Metric tons in the month with a variation of plus minus (5%) five percent. The duration of the contract is 13 months.

**CLAUSE 4 –PRICE PER METRIC TON (MT):**

PRICE: $USD/MT CIF …….

**CLAUSE 5 –, PAYMENT CONDITION, DOCUMENTS, INSURANCE & INSPECTION:**

5.1 **PAYMENT CONDITION**

5.1.1 The buyer's bank issue the Pre-Advice MT705 with the full amount of the commercial invoice NO: \*\*\*\*\*\*\*\*\*\*\* sent via the Swift system to the Seller’s bank. The Pre-Advice MT705 **doesn’t** **represent** any commitment to purchase and can be cancelled any time from Buyer.

5.1.2 Once the Seller has received the (MT705) with the full amount of the commercial invoice NO: \*\*\*\*\*\*\*\*\*\*\*\* from the Buyer, Seller to provide **POP** acceptable to the Buyer，including but not limited to:

1. **Company business license.**
2. **Company export license.**
3. **Certificate of the ownership for the commodity.**
4. **Certificate of Saudi origin of commodity products.**
5. **SGS Technical Specification Test Report for the commodity.**
6. **Chemical composition table of the commodity.**
7. **Physical performance parameter table of the commodity.**
8. **Design drawings of the commodity.**
9. **A video shows the commodity includes the date of filming which must be after the date of receiving MT705**
10. **Pictures shows the commodity includes the date of filming which must be after the date of receiving MT705**

In case of failure Seller to provide POP during the period of 5 days after the buyer's bank issue the MT705 with the full amount of the Commercial invoice NO: \*\*\*\*\*, the contract shall be null and void.

5.1.3 Buyer issues an irrevocable, revolving, confirmed DOCUMENTARY L/C (MT700 at sight) **non**t**ransferable** sent by Swift system（As per UCP 600) for the quantity of 100,000 MT **with** **a** **guarantee** **from** **the** **bank**, **that** **the** **buyer** **buys** **all** **the** **quantity** **of** **the** **contract** (same quantity as in commercial invoice no: XXX), within latest **7** **working** **days** after receipt of above 5.1.2 documents from the Seller. All banking charges of L/C should be paid by the Seller.

5.1.4 For the first month delivery, **simultaneously** with the L/C mentioned above (5.1.3), the Buyer issues a separated irrevocable DOCUMENTARY L/C confirmed (MT700 at sight) **non** **transferable** sent by Swift system（As per UCP 600 ）to the Seller with the full amount of the first **trial** delivery of 35,000 MT within latest **7** **working** **days** after receipt of above 5.1.2 documents from the Seller.

5.1.5 In case of failure Seller to deliver the quantity of 35,000 MT of the first month as determined in this contract, the revolving L/C (clause 5.1.3) issued by the Buyer will be immediately cancelled and the contract shall be considered null and void.

5.1.6 Seller issue a performance bond for the amount 2% of L/C value to,

the Buyer or Buyer's designated end-user through a first a class bank which acceptable to the Buyer within 3 working days after both of above L/C’s issued.

**5.2 INSURANCE:**

The Seller shall pay the insurance against the possibility of loss or damage to a buyer's order while it is in transit to an export port named in the sales contract, as in the definition of CIF. The value of the marine insurance is not less than 110% of the CIF invoice value.

**5.3** **INSPECTION:**

For Quantity and Quality both the Seller and Buyer hereby agree to accept the SGS inspection Report or any equivalent third party assigned as the official final cutline.

**6 Shipping advice AND DOCUMENTS FOR PAYMENT:**

6.1 The parties agreed that the shipments starting after 7 days of the date of issue of the confirmed MT700 At Sight, **non** **transferable** considering the official holidays and excluding cases of exceptional circumstances (natural disasters).

6.2 The destination port is CIF … Port, …… with INCOTERMS 2020.

6.3 The loading port is xxx.

6.4 The delivery time for each shipment is between 14 and 28 days.

6.5 Each shipment contains the quantity between 20,000 MT and 100,000 MT in bulk.

6.6 The delivery of the first month is 35,000 MT. The quantity will be delivered in the following months is 100,000 MT monthly with recommended shipping plan as Table/1 below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Line# | Date | Monthly Shipping Quantity (MT) | Unit Price  (USD/MT) | Amount (USD) |
| 1 | March 2021 | 35,000 |  |  |
| 2 | April 2021 | 100,000 |  |  |
| 3 | May 2021 | 100,000 |  |  |
| 4 | June 2021 | 100,000 |  |  |
| 5 | July 2021 | 100,000 |  |  |
| 6 | August 2021 | 100,000 |  |  |
| 7 | Sept. 2021 | 100,000 |  |  |
| 8 | October 021 | 100,000 |  |  |
| 9 | Nov. 2021 | 100,000 |  |  |
| 10 | Dec. 2021 | 100,000 |  |  |
| 11 | January 2022 | 100,000 |  |  |
| 12 | Feb. 2022 | 100,000 |  |  |
| 13 | March 2022 | 100,000 |  |  |

6.7 The seller shall inform the Buyer of total weight, total packages, B/L date, B/L NO., invoice value and vessel’s name by email within 3 days after shipment date, together with copy of invoice and packing list, and send the documents for payment;

1. Bill of lading.
2. Certificate of origin
3. Packing list
4. Inspection Certificate (SGS Report)
5. Commercial invoice
6. Insurance certificate

**CLAUSE 7 – ARBITRATION:**

7.1 The Agreement shall be governed by and construed in accordance with the laws of xxx.

7.2 All disputes arising out of or in connection with the present contract, including any question regarding its existence, validity or termination shall be submitted to the International Court of Arbitration of the International Chamber of Commerce and shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.

**CLAUSE 8– ASSIGNMENT:**

Neither Party may assign this Contract or any of its rights or obligations hereunder without the prior written consent of the other Party. This Contract shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

**CLAUSE 9 - FORCE MAJEURE**

Neither party to this contract shall be held responsible for breach of contract caused by an act of God, insurrection, civil war, war, military operation or local emergency.

The parties do hereby accept the international provision of force majeure as published by the international court of justice in Hague and as defined by I.C.C. rules uniform customs and practice.

**CLAUSE 10 - BANKING INFORMATION:**

SELLER BANKING DETAILS:

10.1 Seller’s Nominated Bank for Receiving DOCUMENTARY L/C and Issuing 20% PB

|  |  |
| --- | --- |
| Bank Name : |  |
| Account Name : |  |
| Account No. : |  |
| IBAN NO.:  SWIFT CODE: |  |

BUYER BANKING DETAILS:

10.2 Buyer’s Bank for Issuing DOCUMENTARY L/C

|  |  |
| --- | --- |
| Bank Name: |  |
| Bank Address: |  |
| Account Name: |  |
| IBAN |  |
| SWIFT CODE: |  |
| Branch Code: |  |
| Beneficiary Address: |  |

**CLAUSE 11- GENERAL PROVISIONS:**

11.1 This Contract contains the entire understanding between the Parties with respect to the transactions contemplated hereby and can only be amended by a written agreement. Any prior agreement, written or verbal is deemed merged herein and shall be superseded by this Contract.

All signed appendices, annexes and supplements shall constitute an integral part of the present Contract. Any written alterations and appendices to this Agreement shall be valid only when signed by both Parties. All Appendices and Additions duly signed shall be an integral part of this Agreement.

11.2 Time is of the essence with respect to all aspects of each Party’s performance of all obligations under this Contract.

11.3 Conditions that have not been specified in the present Contract shall be governed by INCOTERMS2020 and subsequent amendments related to CIF basis.

11.4 Grammatical mistakes, typing errors, if any, shall not be regarded as contradictions.

11.5 All information exchanged by the parties under this contract shall be confidential and no third party shall be informed of it except by agreement of the parties (unless is necessary to the contract to honored). Information exchanged between the parties may not be used in any place other than that provided for in this contract.

11.6 All communications, notices, information and documents relating to the execution of the work of this contract shall be exchanged through the registered e-mail of each party in the preamble to the contract.

- if the buyer's fail to issue the MT705 or MT700 with full conditions of the seller's commercial invoice NO:**2021Axxxx** this contract will consider null and avoid.

- The validity of this contract is the same validity of the seller's commercial invoice No: 2020Axxxxx.

IN WITNESS, WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized officers or officials as of the day and year hereunder written.

FINAL ENDORSEMENT OF CONTRACT BY SELLER AND BUYER

|  |  |
| --- | --- |
| SELLER  Authorized Signature and Seal    Accepted By :  Company Name :  Authorized Signatory :  Position :  Signatory : | BUYER  Authorized Signature and Seal  Accepted By:  Company Name:  Authorized Signatory:  Position:  Signatory: |