**CONTRACT ? 5
CONSIGN AGREEMENT**

Moscow                         "\_\_\_"\_\_\_\_\_\_\_\_\_\_\_199\_\_.

Company <\_\_\_\_\_\_\_\_\_\_\_\_\_\_>, Russia, hereinafter referred to as the Buyer, on the one part and Company <\_\_\_\_\_\_\_\_\_\_\_\_\_\_>, USA, hereinafter referred to as the Seller, on the other part, have concluded the present Contract for the following:

**1. Subject of the Contract**
1. The Seller has sold and the Buyer has bought on Franco-Storage of Seller, USA, terms the goods in accordance with the Appendix n attached hereto and being an integral part of the Contract.

**2. Price of the Contract**2.1. Price is specified in Appendix Nr 1. The prices are fixed in US Dollars and understood to be Franco-storage of Seller in USA, but the price includes delivery of goods in Moscow to the stock of Buyer.

**3. Delivery Dates and quality of the goods**3.1. The goods are to be delivered on time stipulated in Appendix Nr1 against presentation by the Seller guarantee of the First-class Europe Bank or European financial Company.

3.2. The quality of the goods shall correspond to the terms stipulated by the Appendix Nr1.

**4. Agreed and Liquidated Damages**4.1. In the event of any delay in the delivery against the dated stipulated in the Contract, the Sellers shall pay the Buyers agreed and liquidated damages at the rate of 0,5 per cent of the value of the goods overdue for each day of delay, but not more than 5 per cent of the value of the goods overdue.

4.2. In the case of any miss by the Buyer of the period in the payment of the goods stipulate by the present Contract, the Buyer shall pay the Seller agreed and liquidated damages at the rate of 0,5 per cent of the value of the non-paid goods for each day of delay, but not more than 5 per cent of the value of the non-paid goods.

**5. Force major**
5.1. The parties are not liable for failure to perform their obligation under the present Contract, if such failure was caused by force-major circumstances viz., fire, flood earthquake, war, prohibition of export or import provided these circumstances have directly affected the performance of the present Contract.
In the case the time of performance of the Contract obligations is extended for the period equal to period of duration of such circumstances.
5.2. The Party which can not perform its obligation under the Contract shall immediately notify the other Party.

Failure to give due notice of force-major circumstances shall deprive the Party concerned of the right set them up as a defence.

5.3. Certificates issued by the respective Chambers of Commerce shall be sufficient proof of the occurrence and period of duration of such circumstances.
5.4. If these circumstances lasts longer than six month, either Party shall be entitled to rescind the entire Contract or any part there and this case neither Party shall be entitled to collect damages from the other Party.

In this case the Seller agree to reimburse the Buyer immediately for all payments made the latter under the present Contract plus 10 per cent interest per annum.

**6. Terms of payment**Payment is to be effected in US dollars at the fact of delivery of each lot of the goods in Moscow within 90 banking days and presented the following documents:

- consignment note,
- customs declaration,
- invoice,
certificate of quality issued by the manufacturing country.

**7. Delivery and acceptance of the goods**The goods are considered as delivered by the Seller and accepted by the Buyer:
as to quality - according to the Quality Certificate;

as to quantity - according to the consignment note.

**8. Claims**8.1. Claims can be rise for the quality in case the quality does not correspond to that stipulated by the Contract, for the quantity - if the weight and number of packages differ from the figures shown in shipping documents. The Buyer is entitled to the Seller for the quality - after definition that the quality does not corresponds to the terms of this Contract, for the quantity - within 30 days from the date of delivery.

8.2. No claims for any lot of the goods gives the Buyer the right to refuse acceptance and payment for other lots delivered against the present Contract.

**9. Arbitration**9.1. All disputes and discords which may arise out of in connection with the present Contract will be settled as far as possible by means of negotiations between the Parties.
9.2. If the Parties do not come to an agreement, the matter, with the exception of recourse to the Foreign Trade Arbitration Commission at the Russia Chamber of Commerce and Industry in Moscow for settlement in compliance with the rules and procedure of the said Commission.

9.3. The Arbitration award is final and binding upon both Parties.

**10. General Provisions**10.1. All amendments and alterations to the present Contract are valid if made in written and signed by Contracting Parties.
10.2. The Seller is not entitled assign up the third parties the performance of the present Contract without the Buyers written consent. The breach of this rule entitles the Buyer to rescind the Contract immediately.

10.3. After signing the Contract all the preceding negotiations and correspondence pertaining to become null and void.

**11. Legal addresses of the Parties**
Buyer:

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Seller:

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