**CONTRACT No.2
CONTRACT FOR EXPORTING OF GOODS**

Moscow of \_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_199\_\_

Trade Partners Enterprise, Moscow, Russia, hereinafter referred to TPE, on the one part, and Nigeria Cardon Tubes Limited, Nigeria, hereinafter referred to NCTL, on the other part, have signed the present contract as follows:

**1**

1.1. To the total sum indicated in point 1.1 TPE shall deliver within \_\_\_\_\_\_\_\_\_\_ months of the date of signing this Contract the goods as under Annex I to the Contract being its integral part.
Quantity \_\_\_\_\_\_\_ metric tones.
Price per ton \_\_\_\_\_\_\_\_\_\_\_
Total sum \_ \_\_\_\_\_\_\_\_\_\_
The delivery shall be effected on C.I.F. terms, Nigerian port.
1.2. The date of Bill of Lading made out for this lot of goods shall be considered the date of delivery of goods. The goods delivered under this Contract shall be considered accepted:

- in respect of quality - in accordance with the quality provided for in the Quality Certificate of the manufacturer;
- in respect of quantity - in accordance with the quantity of the pieces and the weight stated in the Bill of Lading.

**2**

2.1. Payments for the goods delivered in accordance with the present Contract shall be effected by NCTL in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
2.2. To effect the payment, NCTL shall open within 30 (thirty) days from the date of receipt from TPE of the cable notification of readiness of the goods for delivery an irrevocable confirmed letter of credit with a Bank for Foreign Economic Affairs, Moscow, through the State Bank of Nigeria in favour of TPE to the amounts stated in 1.1 and shall be valid for a period of \_\_\_\_\_\_\_\_ months from the date of opening of Letter of Credit.

2.3. Should NCTL do not open the Letter of Credit in the period stipulated by 2.1 and in accordance with the terms and conditions of 2.6 of the present Contract, TPE shall be entitled to correspondingly prolong the period of delivery of the goods either for a period of delay in opening the Letter of Credit or for a period to be required to make the Letter of Credit correspondent to the terms and conditions of 2.5 of the Contract.
Should the validity of the Letter of Credit be prolonged, the validity of the present Contract shall be automatically prolonged.

2.4. The Letter of Credit should not contain any other terms and conditions except those stipulated by the present Contract.
2.5. The payment under the Letter of Credit shall be effected by the Bank for Foreign Economic Affairs of the RF for the delivery of goods against the invoices of TPE to be forwarded in 3 copies for every lot of goods attaching the following documents:
1). Two originals of a clean on board Bill of Lading,
issued in the Black Seaport in the address of NCTL.

2). Shipping specification - 3 copies.
3). Quality certificate - 1 copy.
4). Insurance policy issued by the RF Ingosstrakh - 1
copy.
2.6. The Letter of Credit shall contain the following terms and conditions:
a) partial shipment is allowed;
b) the number of the Letter of Credit shall be written only on the invoices;
c) the sum of each invoice shall be calculated on the basis of the actual weight of the shipped goods and average weight price per each Net metric ton of the goods equal to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, C.I.F., the port of Nigeria;

d) the total value inclusive of the sum of the last invoice shall not overestimate the total Contract value;
e) the Letter of Credit shall contain the terms and conditions of i.2.4 of the present Contract;
f) the Contract will be deemed to have been fulfilled when supply of goods is effected within - 5% of the Contracted quantities.
However payment will be on the basis of actual quantities as per the Bill of Lading.
2.7. All the expenses connected with the opening Letter of Credit, notification of its opening and, in case of necessity, increase and prolongation of the Letter of Credit shall be borne by NCTL.

**3**

3.1. When delivering the goods, the following documentation shall be forwarded to NCTL:
a) Bill of Lading - three originals and four copies including one original to be airlifted to NCTL's agent at the port; two originals with the invoice, one copy to NCTL by airmail; one copy by airmail to the NCTL's agent; two copies with the captain's mail;
b) shipping specification in six copies including one copy to be airlifted to NCTL at the port; three copies with the invoice; one copy with the captain's mail and one copy by airmail to NCTL's agent at the port;

c) Quality Certificate in two copies including one copy with the captain's mail and the other with the invoice;
d) packing List in four copies including two copies along with the cargo inside Case No.1; two copies with each package (one copy inside the package and the second one inside the special pocket on the outer side of the case);
e) Insurance Policy with the invoice - 1 copy.
3.2. The packing of the goods to be delivered under the present Contract shall ensure its safety during both railway and marine transportation as well as during transshipment when the usual handling of the cargoes is observed.

3.3. The goods to be delivered shall have the following marking:
- Made in Russia
- The port of loading
- Order Number
- Case Number
- Net and Gross Weight
- Consignee
- Contract No.
- Port of destination.
3.4. The package number is shown with the fraction; the numerator being the serial number of the package and the denominator being the total number of the packages containing a complete unit of the goods.
3.5. The package that cannot have the above mode of marking shall have a metal tag fastened and bearing the required marking.

3.6. NTCL shall ensure the unloading of the goods from the Vessels at the port of unloading at his own expense.

**4**

4.1. TPE guarantee the quality of the delivered goods within 6 months from the date of delivery at the port of destination.
4.2. Should any quantity of delivered goods prove to be defective during the guarantee period TPE at his own expense shall replace the corresponding defective quantity of goods for the goods of proper quality.
The guarantees shall not cover the goods damaged en route or due to nonobservance of instructions on storage due to carelessness or improper handling while transshipment or usage.

4.3. Any claims in respect of quality of the goods shall be submitted to TPE within the guarantee period but not later than 30 (thirty) days after guarantee period expires.
4.4. Any defects detected in the delivered goods during the guarantee period shall be covered by an Act of Claim to be issued within a reasonable period of time, but not later than 30 (thirty) days after the defect is found, moreover the participation of the TPE's representative or a person authorized by the Supplier for issuing an Act of Claim being binding.

Should the TPE's representative do not arrive for participation in drawing up the Act of Claim within a 30 days from the date of receiving the written notification of NCTL, NCTL shall issue the Act of Claim in unilateral order and this Act of Claim shall be the ground to present a Claim. A list with the detailed description of the detected defects is to be enclosed with the NCTL's notification.
4.5. The Act of Claim shall be considered the document substantiating the Claim.

4.6. The Act of Claim shall contain the description and quantity of the goods under claims, order number, description and origin of the defect, the date of the goods delivery at the port of unloading, the condition of packing and storage as well as the concrete claim of NCTL.
A photo of the defective goods is to be attached thereto if possible.
The claim shall be sent by the registered mail by NCTL with the enclosure of all the required documents.
The date of the postal stamp of the country of dispatch shall be deemed the date of presenting the claim.

4.7. Claims in respect of quantity of the goods (entire shortage)) shall be presented within 9 months from the date of delivery of the corresponding lot of goods in accordance with the procedure of the specified in sub-items 4.4, 4.5, 4.6 of paragraph 4 on condition that the goods were delivered to the place of destination with packing intact and was not damaged through the transport agencies fault.
4.8. TPE shall undertake to settle such a claim within 3 (three) months from the date of receipt of the claim.

**5**

5.1. TRE shall insure the goods to be delivered on C.I.E. terms, the port of Nigeria against usual marine risks with Ingosstrakh in accordance with the <Transport Insurance Rules>.
The insurance shall be made to the full amount for the goods on terms and conditions <against all risks>.
5.2. All the claims that may arise in connection with the loss and damage of the goods during transportation shall be made by NCTL directly to Ingosstakh.
5.3. Any risk of an accidental loss. breakage or damage to the goods passes from TPE to NCTL from the moment of loading the goods on board the ship at the port of loading.

**6**

In case of any disagreement between the Nigerian and Russia's organizations on any matter arising from or connected with the implementation of the present Contract, TRE and NCTL shall immediately consult each other and endeavour to reach a mutual settlement of such disagreement.
Any dispute or difference which may arise out of or in connection with the Contract to be referred, with exclusion of the ordinary courts of law, for the decision of an arbitration to be held as follow.

If the defendant in such dispute or difference is TPE the arbitration shall be held in Moscow by the arbitration court at the Chamber of Commerce in accordance with the Rules of Procedure of the said Court.
If the defendant in such dispute or difference is NCTL, the arbitration shall be held by the Nigerian Arbitration Court in accordance with the procedure of the said Court.
Any award of the corresponding arbitration shall be binding upon both parties hereto.

**7**

Should the fulfilment of this Contract be infringed due to hostilities, embargo, blockades or any other contingence beyond either party's control, the parties shall not be responsible for the fulfilment of this Contract and the representatives of both the parties shall immediately consult each other and agree upon the actions to be taken.
Under the circumstances the time of fulfilment of all the obligations of the both parties under this Contract shall be postponed for the period during which the force-majeure or nay consequences of the same will exist.

Strikes shall not be deemed as force majeure.
The existence of such circumstances on Russia's territory shall be confirmed by a certificate of the RF Chamber of Industry and Commerce while the existence of such circumstances on the territory of Nigeria shall be confirmed by a certificate issued by competent Nigerian organization.

**8**

8.1. Neither of the parties is entitled to transfer their rights and obligations under the present Contract to a third party without the other party's consent thereto in writing.
The parties shall intimate each other in each particular case such as transfer of the rights to the lawful successors as soon as it takes place.
8.2. All duties and taxes including customs, port and stamp duties, bank commissions and other expenditures under the present Contract on the territory of the RF shall be borne by TRE and those on the territory of the Nigeria shall be born by NCTL.

8.3. All port and other dues payable in accordance with the regulations in force at the port of unloading as well as other expenses connected with unloading (including stevedoring, lighterage, wharfage, overtime and night work charges) shall be borne by NCTL.
8.4. TRE and NCTL shall correspondingly provide with timely obtaining Export and Import Licences and Permits.
8.5. After the present Contract is signed all the previous negotiations and correspondence between the parties in respect to this Contract shall be considered null and void.

8.6. All amendments to the present Contract shall be considered valid should the same be in writing and signed by persons duly authorized by the both parties.
8.7. All correspondence connected with the execution of the present Contract shall be in English.
The present Contract is signed in duplicate in English, one signed copy is to be held by TRE and the other by NCTL.
8.8. The present Contract is subject to the approval by the Indian Government and shall become effective from the date of its approval. NCTL shall inform TPE about the date of the Contract approval within 3 days after its approval.

Legal addresses of the Parties:

TRE -
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NCTL -
\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_