SALES CONTRACT

A. SPECIFIC CONDITIONS

Contract Date : [*ex: 1 June 20XX*]
Contract No. : [*ex: KCAB-20XX-06-XX*]

[*Seller's name & address*] (hereinafter referred to as the "the Seller"), hereby confirms sale to [*Buyer's name & address*] (hereinafter referred to as the "the Buyer"), and the Buyer confirms purchase from the Seller, the following goods on the terms and conditions hereinafter set forth.

	ITEM NO.	COMMODITY & DESCRIPTION	QUANTITY*	UNIT PRICE	AMOUNT
○					
○					
○					
○					
○					
TOTAL AMOUNT					

☐ **Time of Shipment** : By [*ex: 30 September 20XX*]
* Cancellation Date for Late Shipment : [*ex: 15 October 20XX*]
☐ **Port of Shipment** : [*ex: Busan Port, Korea*]
☐ **Port of Destination** : [*ex: L.A. Port, U.S.A.*]
☐ **Partial Shipment** : Allowed [ ], Not Allowed [ ]
☐ **Transhipment** : Allowed [ ], Not Allowed [ ]
☐ **Delivery Terms** : [*ex: FOB Busan*] Incoterms 2020
☐ **Payment**

○	Documentary Credit (L/C)	○	Sight Credit	irrevocable documentary credit payable at sight
		○	Deferred Payment Credit	irrevocable documentary credit with deferred payment at **[ ] days** from B/L(AWB) date
		○	Acceptance	irrevocable documentary credit with acceptance of drafts at **[ ] days** from B/L(AWB) date
○	Documentary Collection	○	D/P	documents against payment
		○	D/A	documents against acceptance payable at **[ ] days** from B/L(AWB) date
○	Open Account			T/T (Telegraph Transfer) within **[ ] days** from B/L(AWB) date
○	Payment in Advance			T/T (Telegraph Transfer) at least **[ ] days** before the agreed date of shipment
○	Other			

☐ **Insurance** : Under CIF (or CIP), the Seller shall arrange cargo insurance in accordance with CIF (or CIP) of the latest Incoterms of the International Chamber of Commerce.
☐ **Packing** : [*ex: Export Standard Packing*]
☐ **Marking** : [ ]
☐ **Documents Required** :
- [*ex: Full set of Clean on Board Bills of Lading*]
- [*ex: Signed Commercial Invoices in 3 Originals*]
- [*ex: Packing Lists in 3 Originals*]
- [*ex: Certificate of Origin in 1 Original plus 1 copy*]
- [*ex: Inspection Certificate in 2 Originals*]

☐ **Other** :

☐ **These Specific Conditions are subject to the General Terms and Conditions set forth below.**

	The Seller	The Buyer
By	[*Seller's name*]	[*Buyer's name*]
Address	[*Seller's address*]	[*Buyer's address*]
Signature	[ ]	[ ]
Name	[ ]	[ ]
Title	[ ]	[ ]

B. GENERAL TERMS AND CONDITIONS

Article 1. General

These General Terms and Conditions are intended to be applied together with the Specific Conditions. In case of contradiction between these General Terms and Conditions and the Specific Conditions agreed between the parties, the Specific Conditions shall prevail.

Article 2. Quantity

Unless otherwise agreed, quantity set forth in this Sales Contract is subject to a variation of **【 】 percent** more or less at the Seller's option.

Article 3. Shipment

1. The date of issuance of the bill of lading will be deemed to be the date of shipment unless the bill of lading contains an on board notation indicating the date of shipment, in which case the date stated in the on board notation will be deemed to be the date of shipment.
2. Partial shipment and/or transshipment shall be permitted unless otherwise stated in this Sales Contract.
3. The Seller shall not be responsible for any delay in shipment due to the Buyer's failure to provide timely a documentary credit, as the case maybe, in conformity with this Sales Contract. The Seller shall not be responsible for any damages incurred by the Buyer due to either delay in arrival of the ship and/or airplane designated by the Buyer beyond the prearranged date of shipment.
4. If the parties agreed upon a cancellation date for late shipment in the Specific Conditions, the Buyer may avoid the Sales Contract by notification to the Seller in case the shipment has not occurred by the cancellation date.

Article 4. Packing and Marking

1. Packing shall be performed at the Seller's option unless otherwise stated in this Sales Contract. In case special instructions are necessary, the Buyer should provide the Seller with such instructions in a timely manner. All the additional costs thereby incurred shall be borne by the Buyer.
2. Shipping Mark shall be made as shown in the Specific Conditions, if any.

Article 5. Insurance

1. In case of CIF, 110% of the invoice amount shall be insured with insurance cover complying with the Institute Cargo Clauses (C) or similar clause.

2. In case of CIP, 110% of the invoice amount shall be insured with insurance cover complying with the Institute Cargo Clauses (A) or similar clause.

Article 6. Payment

1. If the parties have agreed on payment by a documentary credit, then, unless otherwise agreed, a documentary credit in favor of the Seller shall be issued within **【 】 days** from the date of this Sales Contract by a reputable bank, subject to the latest Uniform Customs and Practice for Documentary Credits (UCP) of the International Chamber of Commerce. The amount of such credit shall be sufficient to cover this Sales Contract amount.
2. If the parties have agreed on payment by a documentary collection, then, unless otherwise agreed, the collection will be subject to the latest Uniform Rules for Collection (URC) of the International Chamber of Commerce.
   (a) In case of D/P, the Seller shall deliver a sight bill(s) of exchange drawn on the Buyer together with the required documents to the Buyer through banks, and the Buyer shall effect the payment immediately upon the first presentation of the bill(s) of exchange and the required documents.
   (B) In case of D/A, the Seller shall deliver a time bill(s) of exchange drawn on the Buyer together with the required documents to the Buyer through banks, and the Buyer shall accept the bill(s) of exchange immediately upon the first presentation of the bill(s) of exchange and the required documents and shall effect the payment on the maturity date of the bill(s) of exchange.
3. If the parties have agreed on payment by an open account, then, unless otherwise agreed, the Buyer shall pay the invoice value of the goods to the Seller's account with the bank designated by the Seller by means of telegraphic transfer (T/T) within the specified date under the Specific Conditions.
4. If the parties have agreed on payment by a payment in advance, then, unless otherwise agreed, the Buyer shall pay the agreed amount to the Seller's account with the bank designated by the Seller by means of telegraphic transfer (T/T) within the specified date under the Specific Conditions.

Article 7. Inspection

1. The inspection of the Goods shall be done according to the export regulation of the Republic of Korea and/or by the manufacturer(s), and such inspection shall be considered as final.
2. Should any specific inspector be designated by the Buyer, all additional charges incurred thereby shall be borne by the Buyer and shall be added to the invoice amount, for which the documentary credit, if any, shall be amended accordingly.

Article 8. Warranty

1. The Goods shall conform to the specification (and/or description) set forth in this Sales Contract, and shall be of good material & workmanship and free from any defect for at least【 】**months** from the date of shipment.
2. The extent of the Seller's liability under this warranty shall be limited to the repair or replacement as herein provided of any defective `goods or parts thereof. However, this warranty does not extend to any of the said goods which have been : (a) subjected to misuse, neglect, accident or abuse, (b) improperly repaired, installed, transported, altered or modified in any way by any other party than Seller or (c) used in violation of instructions furnished by the Seller.
3. Except for the express limited warranties set forth in this article, the Seller makes no other warranty to the Buyer, express or implied, and herby expressly disclaims any warranty of merchantability or fitness for a particular purpose. In no event shall the Seller be liable to the Buyer under this Sales Contract or otherwise for any lost profits or for indirect, incidental or consequential damages for any reason.

Article 9. Claims

1. Any claim by the Buyer of whatever nature arising under this Sales Contract shall be made by facsimile, cable, or e-mail within【 】**days** after arrival of the goods at the destination specified in the bills of lading (or airway bill, sea waybill). Full particulars of such claim shall be made in writing, and forwarded by registered mail to the Seller within【 】**days** after such fax, cabling, or e-mailing.

2. The Buyer must submit with particulars the inspection report sworn by a reputable surveyor acceptable to the Seller when the quality or quantity of the goods delivered is in dispute. Failure to make such claim within such period shall constitute acceptance of shipment and agreement of Buyer that such shipment fully complies with applicable terms and conditions.

Article 10. Remedy

1. The Buyer shall, without limitation, be in default of this Sales Contract, if the Buyer shall become insolvent, bankrupt or fail to make any payment to the Seller including the establishment of the documentary credit within the due date.
2. In case of the Buyer's default, Seller may, without prior notice thereof to the Buyer, exercise any of the following remedies among others :
   (a) terminate this Sales Contract;
   (b) terminate this Sales Contract as to the portion of the goods in default only, and resell them to recover from Buyer the difference between the price set forth in this Sales Contract and the price obtained upon resale, plus any incidental loss or expense; or
   (c) terminate this Sales Contract as to any unshipped balance and recover from the Buyer as liquidated damages, a sum of【 】**percent** of the price of the unshipped balance.
3. The rights and remedies herein reserved to the Seller shall be cumulative and in addition to any other or further rights and remedies available at law.

Article 11. Force Majeure

A party shall not be liable for a failure to perform any of his obligations herein if he proves that the failure was due to an impediment beyond his control such as prohibition of exportation, suspension of issuance of export license or other government restriction, act of God, war, blockade, revolution, insurrection, mobilization, strike, lockout or any labor dispute, civil commotion, riot, plague or other epidemic, fire, typhoon, flood, etc, and that he proves that he could not reasonably be expected to have taken the impediment into account at the time of the conclusion of this Sales Contract or to have avoided or overcome its

consequences.

Article 12. Patents, Trade Marks, Designs, etc.

1. The Buyer acknowledges and agrees that:
   (a) any and all the Seller's intellectual property rights are the sole and exclusive property of the Seller or its licensors;
   (b) the Buyer shall not acquire any ownership interest in any of the Seller's intellectual property rights under this Sales Contract;
   (c) any goodwill derived from the use by the Buyer of the Seller's intellectual property rights inures to the benefit of the Seller or its licensors, as the case may be;
   (d) if the Buyer acquires any intellectual property rights, rights in or relating to any Goods (including any rights in any trademarks, derivative works or patent improvements relating thereto) by operation of law, or otherwise, such rights are deemed to be the property of and are hereby irrevocably assigned to the Seller or its licensors, as the case may be, without further action by either of the parties; and
   (e) the Buyer shall use the Seller's intellectual property rights solely for purposes of using the goods under this Sales Contract and only in accordance with this Sales Contract and the instructions of the Seller.

2. The Buyer shall not:
   (a) take any action that interferes with any of the Seller's rights in or to the Seller's intellectual property rights, including the Seller's ownership or exercise thereof;
   (b) challenge any right, title or interest of Seller in or to the Seller's intellectual property rights;
   (c) make any claim or take any action adverse to the Seller's ownership of the Seller's intellectual property rights;
   (d) register or apply for registrations, anywhere in the world, for the Seller's trademarks or any other trademark that is similar to the Seller's trademarks or that incorporates the Seller's trademarks;
   (e) use any mark, anywhere that is confusingly similar to the Seller's trademarks;

   (f) engage in any action that tends to disparage, dilute the value of, or reflect negatively on the goods or any of the Seller's trademarks;
   (g) misappropriate any of the Seller's trademarks for use as a domain name without prior written consent from the Seller; or
   (h) alter, obscure or remove any of the Seller's trademark(s), copyright notices or any other proprietary rights notices placed on the goods, marketing materials or other materials that the Seller may provide.

Article 13. Governing Law

All matters arising out of or relating to this Sales Contract are governed by and construed in accordance with the laws of Republic of Korea .

Article 14. Arbitration

Any dispute arising out of or in connection with this Sales Contract shall be finally settled by arbitration in Seoul in accordance with the International Arbitration Rules of the Korean Commercial Arbitration Board and laws of Korea.

Article 15. Trade Terms

All delivery terms provided in the Contract shall be interpreted in accordance with the latest Incoterms of International Chamber of Commerce.