

Југословенско предузеће „Југоимпорт-СДПР“
Јавно предузеће „Југоимпорт-СДПР“

Бр. Вр. 571-1

03 10 2017 год. год.
БЕОГРАД — БЕОГРАД

Contract No: 4230/SDPR/LAF/2017/571-1

No: 93 /DGA/EQD/1

This Contract has been concluded between:

Ministry of Defence, Lebanese Armed Forces, Lebanon (hereinafter referred to as the Buyer), represented by _____, on one part,

and

«JUGOIMPORT-SDPR» J.P. Belgrade, with its principal office at Bulevar umetnosti no. 2, Novi Beograd, Republic of Serbia (hereinafter referred to as the Seller), represented by acting director, Mr. Jugoslav Petković, on the other part.

The participants in this business deal shall be jointly referred to as the Parties.

Article 1 SUBJECT

1.1. The Seller undertakes to deliver to the Buyer rocket GRAD 9M 22U (9M21OF) 122mm (20km) stated in Table no. 1, in accordance with technical characteristics set out in Appendix 1 (hereinafter referred to as the Goods), and the Buyer undertakes to take over the Goods and effect the payment fully in accordance with the provisions herein.

Table No. 1

Item No.	Description	Quantity	Unit price USD	Total USD
1	GRAD 122mm 9M 22U (9M21OF) 122mm (20km)	2,000	1,650.00	3,300,000.00
	TOTAL: CIF Beirut, Lebanon (INCOTERMS 2010)			3,300,000.00

Article 2 PRICE

2.1. The total value of the Contract equals USD 3,300,000.00 (three million three hundred thousand and 00/100 US dollars) and it is understood for the delivery of the Goods CIF Beirut, Lebanon (INCOTERMS 2010).

The stated prices shall be fixed and not subject to change until the final completion of the business deal.

and acceptable for Russian federation authorities, in the presence of the Seller's representative at the port determined by the Seller (Russian Federation), after the notification of the Seller that the Goods are ready for inspection.

6.2. The Seller is obliged to inform the Buyer of the date of the Acceptance 30 days in advance. The Buyer is obliged to submit to the Seller the list of its representatives who will participate in the Acceptance, as well as the photocopies of their passports, within 5 days as of the date of Contract coming into force.

6.3. The Seller is obliged to apply for clearances for the entry of the persons from para 6.2. herein, to the facilities in which the Goods will be stored and where the Acceptance of the Goods will be performed. The Seller shall not be responsible in case the entry of the persons from Article 6, Item 2 is prohibited by the competent authorities.

6.4. The Seller shall bear the costs of airline tickets (economy class), board and lodging and local transportation of the Buyers representatives during the Acceptance in the Russian federation

6.5. The Buyer shall be obliged to provide entry visas for the country of origin of the Goods (Russian Federation). The Seller shall not be responsible in case the Buyer's representatives do not get entry visas for the country of origin of the Goods (Russian Federation) or do not get clearances from article 6.3 hereof.

6.6. Upon a successful Acceptance, the Buyer and the Seller shall sign the Acceptance Certificate stated in the Appendix No. 2 hereto, which is one of the documents required to be presented for payment by Letter of Credit. In case that the Buyer, who has been duly informed of the date of the Acceptance, fails to send his representative to participate in the Acceptance on the said day, the Seller shall do its best to organize another Acceptance at the Buyer's cost within 15 days as of the previous date. In that case, the delivery period shall be extended for the stated period. In case the Buyer fails to send his representative for another Acceptance or the Seller is not able to organize another Acceptance (which shall be intimated to the Buyer by the Seller), the Acceptance certificate shall be signed only by the Seller.

6.7. After signing of the Acceptance Certificate, the Seller shall submit to the Buyer the data about the packaging (gross/net weight and number of cases, pallets etc).

Article 7 WARRANTY AND CLAIM

7.1. The Seller guarantees that the Goods from Article 1 hereof shall be new, from 2017 production.

7.2. The warranty for the Goods shall be valid for 12 (twelve) months as of the date of signing the Acceptance Certificate.

7.3. During the warranty period, the Buyer shall not have the right to make any changes or modifications to the Goods. Otherwise, the Seller's warranty shall become invalid.

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7.4. Claims regarding the quality and functionality of the delivered Goods made during the warranty period shall be submitted by the Buyer to the Seller in writing. The Seller and the Buyer shall form a joint technical committee which shall review the submitted claims and each justified claim shall be settled by the Seller by replacing the defective Goods or parts thereof by serviceable ones, at its own cost and risk on delivery term **CIF port Beirut, Lebanon** within 180 days as of establishing the justifiability of the claim, and after obtaining new required permits.

7.5. When responding to the claim, the Seller shall issue the warranty for the Goods that were subject of the justified claim for the period equivalent to the time during which the Goods were under the claim.

7.6. The warranty clause shall not be applied in case of the defects on the Goods which were caused by improper use, storage and keeping of the Goods or in case that the Goods are used on the system which is not compatible with the Goods or which is damaged or has some other failure.

Article 8 FORCE MAJEURE

8.1. Execution of obligations of the Parties hereunder shall be postponed throughout the duration of a Force Majeure circumstance.

8.2. Force Majeure circumstance shall include external and extraordinary events that did not exist at the time of signing of this Contract, that have occurred and are beyond control and power of the Parties and the occurrence or effect of which the Parties were not able to prevent through implementation of measures or means that could reasonably be required and expected to be implemented in a particular situation by the party affected by Force Majeure.

8.3. Force Majeure shall be construed to denote the following events in particular: war and war actions, civil unrest, mobilization, strike, fire, epidemics, explosion, natural and traffic disasters, acts prescribed by authorities that can affect the fulfilment of obligations, as well as acts prescribed by international authorities and organizations and any other developments and circumstances recognized and announced to be Force Majeure events by the competent authority.

8.4. The Contracting Parties may be released from their responsibilities with respect to non-fulfilment of obligations in the course of duration of a Force Majeure event to the extent to which such act of Force Majeure prevented them from fulfilling their obligations, with the understanding that the Parties shall be obliged to undertake appropriate steps to ensure, to the maximum possible extent under such circumstances, the interests of each of the parties.

8.5. The Party affected by Force Majeure is obliged to inform the other party, by fax and within 15 (fifteen) days, about the commencement and cessation of Force Majeure, submitting an official evidence thereon issued by the competent authority of its country.

8.6. The Party failing to inform the other Party about the commencement and cessation of Force Majeure within the above mentioned time shall bear all the

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consequences arising therefrom and shall be liable to compensate the other party for all damages incurred due to the lack of or untimely submitted advice.

- 8.7. Should the effect of Force Majeure exceed 90 (ninety) days, the Party not affected by Force Majeure shall be entitled, at its own discretion, to determine to the other party an additional time for fulfilling the contractual obligations, or to terminate this Contract bearing no consequences therefrom.

Article 9 CONTRACT TERMINATION

9.1. Should one of the Parties hereof fail to meet any of its obligations hereof, especially if this failure affects the exercise of rights of the other Party, the other Party is entitled to determine a reasonable period for the fulfilment of those obligations. In case the first Party fails to meet its obligation even in the said additional period, the other party hereof may terminate this Contract.

9.2. In case of termination hereof, the Parties shall try, by mutual agreement, to determine the type and scope of the damage, including the amount of damage compensation and the contract termination procedure. In case the Parties hereto fail to reach an agreement, the dispute shall finally be settled in accordance with the provisions from Article 10 hereof.

Article 10 ARBITRATION

10.1. The Parties shall try to settle any possible disputes and misunderstanding arising out from or in connection with this Contract in an amicable manner.

10.2. If a dispute cannot be settled in the above manner, the Parties agree to have it settled in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or three arbitrators appointed in accordance with the said Rules.

10.3. The arbitration shall convene in Paris and the Swiss Law of Obligation shall apply.

10.4 The cost of arbitration shall be refunded by the party in default.

10.5 The arbitration shall be conducted in the English language.

10.6 The arbitration award shall be final, explained and binding upon both contracting parties.

10.7 The dispute itself or the process of its settlement by Arbitration shall not release the parties hereto from fulfilment of other obligations hereunder which are not subject of the dispute.



Article 3 PAYMENT METHOD

3.1. Payment of 100% of the value from Article 1 hereof, i.e. **USD 3,300,000.00** (three million three hundred thousand and 00/100 US dollars) shall be effected by the Buyer by a documentary letter of credit, confirmed by first-class world bank acceptable for the Seller, payable at sight, as follows:

3.2. Advance payment of **30% i.e. USD 990,000.00** (nine hundred ninety thousand and 00/100 US dollars), shall be payable upon the presentation of the following documents:

- Seller's pro-forma invoice (1 original)
- Copy of the Export license issued by the Ministry of Trade, Tourism and Telecommunication of the Republic of Serbia as per the draft given in Appendix No.2 hereto
- Statement issued and signed by the Seller that appropriate export license of the Republic of Russian Federation has been obtained as per Appendix No.3 hereto
- Letter of guarantee issued by the Seller

3.3. 70% of the Contract value i.e. **USD 2,310,000.00** (two million three hundred ten thousand and 00/100 US dollars) shall be payable upon the presentation of the following documents for each shipment:

- Seller's invoice to 100% of the value of the delivered goods, reduced by 30% of the received advance payment (1 original and 3 copies)
- Full set of clean-on-board Bill of Lading (Bill of Lading marked „charter party" is allowed)
- Packing list (1 original and 3 copies)
- Insurance policy (1 original)
- Acceptance Certificate (1 original) as per Appendix No.4 hereto, signed by both Parties or only by the Seller, as per article 6.6 hereof.

The documentary letter of credit shall be issued pursuant to UCP 600 rules, within 15 days as of the date of signing this Contract, and shall be payable at sight.

Prior to issuing of the L/C, Buyer shall submit an L/C draft for the Seller's approval.

The documentary letter of credit shall allow partial deliveries within lots and partial payments.

The Seller shall bear all the L/C costs outside of Lebanon while the Buyer shall bear all the L/C costs in Lebanon.

After the opening of L/C in accordance with the conditions hereof, all the costs related to any changes and extensions of the L/C shall be borne by the party

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causing such changes, and any changes and extensions shall have to be previously agreed upon by both parties to the Contract.

The validity of the Letter of Credit shall be 8 (eight) months from the date of its issuance, i. e. not less than 1 (one) month after the delivery date.

The documents presented during the L/C validity shall be acceptable.

Article 4 DELIVERY TERMS AND METHOD

- 4.1. The Seller undertakes to deliver to the Buyer the total quantity of the Goods from the Article 1 within 4 months as of the date of the Contract coming into force.
- 4.2. Early and partial deliveries shall be allowed.
- 4.3. The Seller shall deliver the Goods from Article 1 on the delivery point **CIF Beirut, Lebanon** (INCOTERMS 2010).
- 4.4.1. The Buyer shall perform all necessary activities to take over the Goods after unloading the vessel in the Beirut Port. Any costs caused by such delay shall be covered by the Buyer.
- 4.5. The Seller shall inform the Buyer of the arrival of the Goods in the Port, together with the data about the packaging (gross/net weight and number of cases, pallets etc.) not later than 15 days after delivery.
- 4.6. In case of unexpected difficulties concerning the delivery of the Goods or receiving the advance payment by the Seller effected by Buyer's bank as per Article No.3, which occurred without the responsibility of the Parties, the Parties shall agree on the extension of the delivery period.

Article 5 PACKING AND MARKING

- 5.1 The Seller undertakes to pack and mark the Goods as follows:
 - The Goods are shipped in a standard packaging suitable for maritime transport of the Goods
 - Each package shall contain a packing list with the description and quantity of each item of the packed Goods.
- 5.2 The Buyer is obliged to hand over to the Seller's agent, empty containers which are received with Goods, at the port Beirut, within 30 days from the delivery date of the Goods as per this Contract.

Article 6 ACCEPTANCE OF THE GOODS

- 6.1. Acceptance which consist of counting of the Goods and visual inspection of the Goods from Article 1 hereof (furthermore: Acceptance) shall be conducted, according to the technical specification set out in Appendix No.1 by the Buyer's representatives in the period of maximum 3 working days, a team consisting of 4 (four) representatives of Buyer and representatives of the independent inspection body authorized by the Buyer

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15.1. This Contract has been drawn up in the English language and signed in four (4) identical copies, two (2) for each Party hereto.

In Belgrade: _____

For the Seller

Mugoslav Petković

عقده برياض الصرافية



وافق ديوان المحاسبة بقراره رقم ٢٤٦٩ / ٢٠١٢
تاريخ ٢٦ / ١٢ / ١٤٣٢

رئيس الفرقة بالوكالة
المس

الحمد لله الذي جعل الدين

السنة	الجزء	الكتاب	الفصل	موضوع	البناء	المقبرة	النبذة	الصور
٢٠١٧	١	١	١	١	١	١	١	١

٢٨ لازمارك ٢٠١٧

١٦١٥

بيروت في

تأشير مراقب عند التفاتات لدى الوزارة

محمد سيد

Article 11 ASSIGNMENTS OF THE RIGHTS AND LIABILITIES

11.1. Neither Party hereto shall have the right to assign its rights or obligations under this Contract or this Contract to any third party without the prior approval of the other Party to the Contract.

11.2. Should, during the validity of this Contract, either Party undergo any statutory changes, i.e. mergers, affiliations, separations etc., then all rights and obligations of the Party that underwent such change shall be transferred to its legal successor and it shall be deemed that he has fully accepted the provisions of this Contract.

Article 12 CONFIDENTIALITY

12.1. The Parties have agreed to treat this Contract as confidential, and neither Party shall have the right to disclose or hand over its content, or otherwise make available the same to any third party without a prior written consent of the other Party.

Article 13 CONTRACT AMENDMENTS

13.1. Any amendments to this Contract shall be considered valid only if made in writing and signed by both Parties hereto.

Article 14 CONTRACT COMING INTO FORCE

14.1. This Contract shall come into force after cumulative fulfilment of the following conditions:

- signing of the Contract by authorized representatives of both Parties
- opening of L/C in accordance with Article 3.
- when the Buyer submits to the Seller the End User Certificate for the whole quantity of the Goods duly authorized by the Embassy of Russian Federation in Beirut
- when the permits required for implementation hereof have been obtained from the competent authorities in the Seller's and the Buyer's countries as well as from the competent authorities in the country of origin of the Goods (Russian Federation).

The Buyer will submit to the Seller End User Certificate for the whole quantity within 5 days from the date of the signing of the Contract.

In case the Buyer does not open Letter of Credit within 20 days and fully in accordance with the Article 3 hereof, the present Contract shall be considered legally null and void and shall not have any legal effect, and the Buyer shall not be entitled to any claims from the Seller thereunder.

