

AGREEMENT FOR SALE OF GOODS (F.O.B. BASIS)

THIS AGREEMENT is made at ... this ... day of... between A B & Co. Ltd., a company registered under the (Indian) Companies Act, 1956 and having its registered office at ... hereinafter referred to as 'the Seller' of the One Part and M/s ... a foreign company registered under the ... Companies Act and having its registered office at ... and its local agents' office at ... in India, hereinafter referred to as 'the Buyer' of the Other Part.

1. The Seller agrees to sell and the Buyer agrees to buy... bales of Indian Cotton (... variety) at the price of ... dollars per ton. The price will be on F.O.B. basis - June-July shipment.
2. The Buyer will nominate a ship within four weeks from the date hereof and shall give intimation of the expected date of her arrival at the port of dispatch and the Seller will ship the said goods in the nominated ship when she arrives at the port of ...
3. The goods will be transported by the Seller upto the wharf where the ship will be anchored, at its own costs.
4. When the goods are delivered to the master of the ship against the mate's receipt and the Bill of Lading is issued by the master, or owner of the ship, the delivery by the Seller to the Buyer will be complete and thereafter the goods will be the risk of the Buyer.
5. It will be the responsibility of the Buyer to pay the freight charges thereon, marine insurance charges and other charges for transporting the goods from the port of shipment to the port of destination and thereafter until the goods come into the actual possession of the Buyer.
6. On the loading of the goods in the ship, the Seller shall hand over to its banker the necessary documents of title to the goods and which will be sent by its Bankers to their branch or nominated bank at the port of destination.
7. The Buyer shall open a letter of credit with its Banker in favour of the Seller's Bankers and on receipt of the documents of title by the Seller's foreign Bankers, the Buyer's Bankers will credit the amount of the price in the Seller's name with the Seller's Bankers.
8. If any Import licence is required to be obtained by the Buyer at the place of destination the same will be obtained by the Buyer and the Buyer will be liable to pay all custom duty, import duty and other charges for clearance of the goods.
9. If any export licence is required to be obtained for exporting the goods from India under the Indian Law, the same will be obtained by the Seller and all export duties will also be paid by the Seller'
10. The Buyer will be entitled to examine the goods by sample or otherwise at the port of loading and if the goods are not of the agreed quality or quantity the Buyer will have the option to reject the goods at the risk and costs of the Seller.
11. The seller shall carryout all customs formalities necessary for the exportation of the goods.

12. The seller shall bear all risk of loss of or damage to the goods until such time as they have passed the ship's rail at the named port of shipment and thereafter all the risk of loss of or damage to the goods that is from the time they have passed the ship's rail will be of the buyer.
13. The seller shall give to the buyer sufficient notice that the goods have been delivered on the board of the ship.
14. The seller shall pay the costs of checking quality measuring, weighing, counting and operations necessary for the purposes of placing the goods at the disposal of the buyer. The seller shall pack the goods properly and mark them appropriately.
15. The seller shall render to the buyer at the latter's request risk and expenses and every assistance in obtaining documents or equivalent electronic messages issued or transmitted in the country of shipment and/or of obligations which the buyer may request for the exportation of the goods.
16. The buyer shall pay all the costs relating to the goods from the time they have passed the ship's rail at the port of shipment as well as all costs incurred because of the ship named having failed to arrive in time or unable to take goods or closes for cargo earlier than the stipulated time or if the buyer fails to give sufficient notice to the seller of the ship, her arrival and loading place.
17. The buyer shall take delivery of the goods when they are brought on board the ship by the seller.
18. In case the ship nominated by the Buyer fails to arrive at the port of despatch within a reasonable time from the expected date of arrival or at all, the Buyer shall nominate another ship and intimate the date of arrival of that ship to the Seller. In such a case all the godown charges incurred by the Seller for storing the goods either with a clearing agent or with the port authorities from the date of arrival of the goods at the port till the date of putting the goods on board the ship will be payable by the Buyer. If the nominated vessel does not land at the port of despatch but arrives at some other port in India the Seller will if so required by the Buyer transport the goods to the other port for shipment but in such a case the transport charges will be payable by the Buyer.
19. If any dispute arises under this contract, between the parties, of whatsoever nature, including any claim for damages the same will be referred to arbitration under the Byelaws of the ... Cotton Association.

Sd/ - Seller.

Sd/- Buyer.