

MẪU HỢP ĐỒNG MUA BÁN THIẾT BỊ BẰNG TIẾNG ANH

EQUIPMENT SUPPLY contract

FOR

INTEGRATED POULTRY plant

BETWEEN

DANANG INTEGRATED POULTRY

JOINT VENTURE COMPANY

AND

Schmidt - ankum mci gmbh

EQUIPMENT SUPPLY CONTRACT

This Contract is made in Da nang on ... August 2001

Between:

Name of company: **SCHMIDT ANKUM**

Legal address :

Telephone:

Facsimile :

Email :

Website:

Represented by :

Title:

Hereinafter called "The Seller"

And

Name of company: **JOINT VENTURE COMPANY**

Legal address :

Telephone:

Facsimile :

Email :

Website:

Represented by :

Title:

Hereinafter called "The buyer"

WHEREAS,

DANANG INTEGRATED POULTRY JOINT VENTURE COMPANY, a corporation organized and existing under the Law of the Socialist Republic of Vietnam, under the Investment License No. _____, issued by Ministry of Planning and Investment dated _____ intends to construct a plant for the following objective activities:

- Rearing broiler and layer;
- Slaughtering chicken, processing and preserving chicken meat;
- Producing mixed feed mill; and
- Selling in domestic market and exporting chicken meat, eggs, breeding stock.

(hereinafter referred to as "**Plant**") at _____ (address) Da Nang Province, the Socialist Republic of Vietnam and wishes to purchase from **Seller** the necessary equipment and machinery to be incorporated into the Plant; and

SCHMIDT - ANKUM MCI GmBh, a corporation organized and existing under the laws of Germany, has many experiences in supply of the machinery and equipment required for the construction of the same factory and is willing to supply to **Buyer** such equipment and machinery, on the terms and conditions hereinafter set forth;

NOW THEREFORE, in consideration of the mutual covenants and agreement herein contained, the parties hereto agree as follows:

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Article 1. OBJECT OF THE CONTRACT

1.1. Object of the Contract:

The Buyer commits to the Seller the installation of plant in accordance with the specifications mentioned in the Annexes of the contract in the existing facilities of the Buyer, which the Seller accepts to perform.

The object of the Contract is the supply by the Seller of equipment and services for the above mentioned integrated poultry plant as listed hereafter:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ The Technology Transfer;

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ The engineering for the project except for the local works;

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ The machinery and equipment supply for the integrated poultry plant as listed in details in **Annex 1**;

□□□□□□□□ All services outside the S.R. Vietnam as well as the services by the Seller's specialists inside S.R. Vietnam for the project coordinator and supervision, control, commissioning, start-up and for the training of the Buyer's personnel.

The Seller shall also be responsible for:

- the equipment transportation up to **Danang Port**, S.R. Vietnam
- the supervision of the equipment erection.
- the supervision of the putting into operation of the equipment supplied.

2. LANGUAGES AND UNIT OF MEASUREMENT

The contract documents between the Parties, shall be in English and Vietnamese, however, in case of conflict between Vietnamese and English versions, the English versions shall prevail.

The metric decimal system (as the unit of measurement) shall be applied in the execution of the Contract.

3. DEFINITIONS

Unless other stipulated under this Contract, the following words and expressions shall have the meanings as follows:

3.1. "Contract" means the Contract signed between the Seller and the Buyer including all annexes, instructions, drawings and other documents, which should be included herein.

3.2. "Plant" means the integrated poultry plant, specified in Article 1 of the Contract, to be built in Da Nang City, S.R. Vietnam.

3.3. "Parties" means the Buyer and the Seller named at the beginning of the Contract and their authorized representatives.

3.4. "Instructions" means the technical instructions, descriptions, specifications, designing, drawings and other documents, which should be provided during the implementation of the contract.

3.5. "Goods" or "Equipment and materials" means all machinery, instruments and tools, accessories, spare parts and materials in accordance with the Contract.

3.6. "Technical assistance" means the scope of the work and services specified in the contract, carried out by the Seller

3.7. "Inspection" means the inspection of equipment before shipment and after its arrival at the port of destination by authorized Buyer's person(s).

3.8. "Protocol of acceptance" means the Protocol signed by the Buyer and the Seller upon fulfillment of performance test.

3.9. "Performance test" means the test as specified in the Article 15 of this Contract.

3.10. **"Test"** means all the tests proving the conformity of the Plant with the design, as specified in the contract.

3.11. **"Month"** and **"Day"** mean the Solar calendar month and day. **"Year"** means 365 days.

3.12. **"Effective date of the Contract"** means the date defined in Article 27.

3.13. **"Guarantee Period"** shall have the meaning given to it in Article 14.3 of this Contract and the expressions **"Warranty Period"** and **"Defects Liability Period"** used elsewhere in this contract shall have the same meaning as **"Guarantee Period"**.

3.14. **"Equipment Item"** means an assembly which is to be considered as an individual functional element.

3.15. **"Correspondence"** means all communication letters, telex, telegrams, telefax messages.

3.16. **"Preliminary Acceptance"** means: The Protocol signed by site representatives of the contractual Parties confirming that the equipment supplied by the Seller is able to function under operational conditions as per **Article 15.2.1**

3.17. **"Provisional Acceptance"** means:

- The Protocol signed by the site representatives of the contractual Parties confirming that the Preliminary Acceptance has been carried out and that the Performance test has been run successfully as per Article 14.8. and Article 15.2.2.
- Also the date of this Protocol.

3.18. **"Final Acceptance"** means:

- The Protocol signed by site representatives of the contractual Parties confirming that the guarantee period has been expired and that all defects has been remedied and corrected as per Article 14.15.
- Also the date of this Protocol.

4. OBLIGATIONS OF THE SELLER

The Seller undertakes at his costs:

4.1. The Seller shall be responsible for the project concept, designing and technical documents to be supplied to the Buyer as specified in **Annex 7** of this Contract.

The Seller is responsible for establishing a time schedule which secures the installation of the plant in a realistic time.

The Buyer and the Seller will meet immediately after the Effective Date of the contract to jointly establish the reviewed time schedule which will rule the performance of the contract.

4.2. The Seller supplies equipment, materials and spare parts for the project to **Danang Port** basis in conformity with standards and specifications mentioned in **Annex 2 and Annex 4**.

4.3. The Seller shall deliver to Da Nang port basis all the goods as per **Article 6** of this Contract at his own cost.

4.4 The Seller shall provide all guide lines necessary for the construction of the plant buildings as per **Annex 7**.

4.5. The Seller shall undertake to give all instructions and supervise the erection of imported part, the carrying out of the test run, the commissioning and the putting into operation of the plant as per **Article 15** of the present contract.

4.6. The Seller shall delegate technical specialists as mentioned in **Annex 6** of the Contract with necessary tools and devices.

4.7. The Seller shall undertake to train the Buyer's personnel as specified in **Annex 6** of the Contract

4.8. The Seller shall supply to the Buyer without any change in prices of the equipment or machine parts or carry out replacement or repair, if necessary, in order to complete his obligations, provided that such supply, replacement or repair are not the obligations of the Buyer under this Contract.

4.9. All questions arising during the erection and putting into operation are to be solved by the site representatives of the Buyer and the Seller.

5. OBLIGATIONS OF THE BUYER

The Buyer undertakes at his costs with the exceptions for the Articles: 5.6, 5.9 which are at the Seller's costs:

5.1. To provide the Seller with necessary data and documents related to plant for the latter's designing and working out of the list of equipment and materials to be responsible for the correctness of the documents.

5.2. To apply for import license and other necessary permits and approval for the construction and production of the plant.

5.3. To place the building of the plant at disposal of the Seller and make possible the beginning of the assembling according to the time schedule as per Annex 8 of the present contract.

To guard the construction site, equipment and materials which are delivered for the plant and for the Seller's specialists.

To perform the general supervision of project execution of local part and building-construction with project time and cost follow up.

5.4. To complete the construction of the plant building in conformity with the technical requirements of the plant.

To provide all equipment, materials and spare parts to be provided by the Buyer as per **Annex 2** in conformity with the Seller's specifications.

5.5. To supply equipment for erection - (cranes, scaffolding tackles, etc.) - general tools and consumables for erection of the plant delivered by the Seller (for welding, grinding, head-cutting, etc.)

5.6. To apply for necessary permits for the Seller's specialists and their family, if any, to come to Vietnam for working for the plant, including entry visa and temporary stay.

5.7. To provide manpower, material necessary for erection, test run and commissioning of the plant.

5.8. To carry out the transport and customs clearance of the equipment, materials and spare parts supplied under the present Contract from quay of Danang port to the plant site. The Buyer shall be responsible for damages to the goods from [.....] quay of Da Nang port delivery, unless the damages are caused by the fault of the Seller's specialists.

5.9. To provide, in case of illness and accident of the Seller's specialists, access to Da Nang City medical facilities.

5.10 To provide the Seller's specialists with room facilities at the construction site for training the Buyer's personnel.

5.11 To provide the Seller with interpreters of English for all services of technical assistance as per **Annex 6** in Da Nang.

5.12 To provide necessary storage facilities for storing process equipment and other erection materials for the time of erection.

6. CONDITIONS AND TIME OF DELIVERY

6.1. Delivery of Goods:

6.1.1. Items to be shipped or delivered under this Contract shall be limited to Goods required for the execution of the Contract.

6.1.2. The Seller may deliver Goods to Vietnam either by air or by sea at his discretion. The Airway Bill shall be considered as the Bill of Lading but shall not make any changes of Contract Value. In this case, the goods are delivered on any Airport basis in accordance with the INCOTERMS 2001.

6.2. The Seller shall deliver equipment, materials and spare parts mentioned in **Annexe 2** and **Annex 4** and technical documents mentioned in **Annex 7** of the Contract in accordance with the dates mentioned in **Annex 8**.

The Seller is entitled to deliver minor parts after the dates mentioned in **Annex 8**, provided however that the erection and operation and operation schedules are not delayed by such delayed delivery.

6.3. Delivery of the equipment, materials and spare parts is to be made on the basis of Danang port, S.R. Vietnam in accordance with the INCOTERMS 2001.

Partial shipment is allowed.

The Seller shall avoid transshipment. If this is impossible, the Seller shall inform the Buyer thereof and make suitable arrangement. The Seller is to bear and pay all costs, fees, taxes and expenses regarding the

transportation of the goods to [...] port, S.R. Vietnam, unloading into the quay. The goods shall be insured from the Seller's warehouse to the quay of [...] port.

The Seller is authorized to use at his option any Conference Line Vessel or any other seaworthy ocean going vessel, not more than ten (10) years old. Vessels more than ten (10) years old shall not be used for shipment under this Contract unless they have been registered as *A class vessel in Lloyd's Register* or other equivalent registers.

Shipment in containers is allowed.

The Seller shall at least two weeks before shipment inform the Buyer by fax or telex of compliance of the vessel with the foregoing and nationality thereof.

6.4. The equipment shall be delivered with full accessories and spare parts in accordance with the delivery schedule to ensure the erection and testing of the project on time and in the most rapid and rational manner.

6.5. The date of the arrival of the goods Danang port, S.R. Vietnam is considered as the delivery date of the Goods. In case of air freight of the technical documents, the Airway Bill will replace the ocean Bill of Lading and the date of the Airway Bill is considered as delivery date for technical documentation.

6.6. Shipping notice

(i) Preliminary shipment data

The Seller shall notify the Buyer by fax seven (7) days prior to the shipment of the goods the following data :

- Contract number
- Contract item number
- Number of packages (Item Description)
- Weight gross/net in total (kg)
- Volume in total
- Estimated dimensions of packages (L x W x H cm)
- Total value . ETD/ETA
- Name of the Shipping Agent at port of unloading
- Destination port
- Notes as per Article 8.6 below concerning the cases of over dimensioned and overweighed Goods.

The contents of the above telex of fax shall be confirmed by the Seller by registered airway letter by DHL within [...] days after dispatching of the Facsimile.

(ii) Confirmation of shipment:

Upon the shipment of Goods and not later than seven (7) days after shipment, the Seller shall notify the Buyer by telex or fax:

- Contract number
- Name and item - Quantity and Value
- Weight/Masurement (KG)/LxWxH(cm)
- Number of packages
- Name of vessel
- Port of shipment, expected time of departure, expected time of arrival, port of destination
- Number and date of B/L or A/B.

The above mentioned telex or fax notification shall be confirmed by registered airway letter which shall be sent by DHL to the Buyer within 3 (three) days after the date of dispatching the telex or fax.

(iii) The Seller shall send the following shipping documents to the Buyer by DHL not later than three (03) days after shipment (the same documents shall be sent by fax within three (03) days) so that the Buyer can take necessary arrangements with the Vietnamese Authorities concerned for importation and customs clearance purposes:

- Commercial invoice signed by the Seller : 1 original and 5 copies
- Clean shipped on board Bill of Lading marked "freight prepaid", "to order of the Buyer", "notify to the Buyer" : 1 original and 2 copies
- Certificate of Origin: 2 copies
- Packing list in detail: 1 original and 2 copies
- Insurance Certificate or Policy: 1 copy
- Quality and quantity certificate issued by the Manufacturer: 1 original and 2 copies

Beside the above mentioned documentations, one set of packing lists kept in a strong and waterproof envelope shall be sent through the captain of the vessel.

6.7. In case of delivery by air, the Seller shall inform the Buyer by telex or fax 7 (seven) days before dispatching the Goods of the Contract number, the expected delivery date, place of dispatching, description of the relevant goods and its quantity.

The Seller undertakes to advise the Buyer by telex or fax on the same day of dispatching of the relevant goods the following:

- Number and date of contract
- Number and date of airway bill
- Name of air transport company and flight number
- Description of the goods
- Number of cases
- Net/Gross weight

The Seller shall send to the Buyer, together with the goods, all necessary transport documents such as copy of airway bill and packing list to ensure a safe receipt of the goods at the airport of destination.

6.8. The Seller shall be responsible for any damage and/or any additional expenses caused by the absence of the above mentioned notification.

6.9. All expenses related to the notification as well as to the obtaining and dispatching of all documents as mentioned in Article 6 of this Contract shall be borne by the Seller.

6.10. On deck storage shall be allowed for items which according to international commercial customs are not or cannot be stowed under deck.

6.11. After the arrival of the goods at the port of destination the Buyer has the right to entrust the inspection of quantity and/or quality to an independent inspection company with respect to the goods the packing of which is damaged or defective. This inspection shall be done by the independent inspection company itself.

A report thereof shall be issued by the independent inspection company as an evidence for making a claim against the Seller.

The Buyer will inform the Seller with one week advanced notice about time and date of inspection.

A Seller's representative can be present at the inspection. In case there are damage and losses of the goods during transportation, loading and unloading, the Buyer, in the period of insurance, shall invite the independent inspection company to inspect the said goods and supply the Seller with claim documents concerned and enable him to make claim against the carrier or insurance company and to re-supply at his own expenses the Buyer with the replacement goods on the conditions stipulated in this Contract within 6 (six) months from the date of receipt of claim documents supplied by the Buyer.

Claim documents shall consists of:

- COR (Cargo Outturn Report)

- ROROC (Report on receipt of Cargo)
- Survey report
- Bill of Lading
- Packing list
- Other necessary documents

7. INSURANCE

7.1. The Seller shall insure the Goods supplied under the Contract for one hundred and ten percent (110%) of the total shipment value in accordance with Lloyd's Institute Cargo Clause A payable in the currency stated in this contract in favour of the Buyer with reputable company who will appoint Vietnam Insurance Company as their agent in settlement of the claims, if any.

In case of loss, defects or damage caused to the Goods during sea transport, based on the Survey Report by the independent inspection company of Vietnam or Vietnam Insurance Company if the claim is proved to be due to the Seller's fault, the Buyer shall be entitled to request the Seller to remedy and/or to replace for the loss, defect or damage on the basis of Danang quay at the port regulated under this Contract.

7.2. The Seller will inform the Buyer about the Insurance Company ... not later than thirty (30) days after the effective date of the Contract, if the Seller receives no objection from the Buyer within fifteen (15) days thereafter, the Insurance Company is considered accepted.

7.3. The Seller shall be responsible for processing all claims under Article 7.1. 7.4 The Seller shall only be responsible to insure his personnel against civil liabilities.

7.4. The Buyer is responsible in case of injuries suffered by the Seller's personnel due to the Buyer's fault.

8. PACKING, MARKING

8.1. The Goods are to be delivered in standard seaworthy packing for export goods. Goods to be delivered by Seller shall be securely prevented from damages during transportation to their destination or storage for reasonable period of time and transportation from the warehouse to the construction site. The Seller shall ensure the protection of Goods for transportation by sea and handling on land under tropical climatic conditions. Such packing must ensure transportation safely to destination and withstanding such hazards as possible corrosion by exposure to salty sea water spray, moisture, rain, rust or other corrosion effects.

8.2. The packing is to secure full safety of the Goods from any kind of damage and corrosion during transportation by sea, railway and combined transport taking into account transshipment, if any, during transportation and proper long storage conditions in S.R. Vietnam (with maximum time of 10 months).

8.3. The packing shall be suitable for loading by crane, autocars, trucks and manually in so far as the weight and volume of individual packages allow.

8.4. Before packing the appropriate anti-rust and protection measures for the Goods, such as grease, coating oil, oil paper wrapping or polyethylene film wrapping, are to be taken in order to protect them from damages or corrosion during long transportation and storage at site for ten (10) months maximum under tropical climatic conditions, according to the Seller's storage instructions.

All packages shall be made of brand new material. However, reused containers are allowed. The containers must be standard. Their quality must be good and suitable for all kinds of transportation and for all kind of weather.

A Detailed Packing List indicating the contract number, specification of items, gross and net weight in a waterproof envelope shall be put inside each package with the Goods. One copy of the Detailed Packing List in a water proof envelope shall be fastened to the outer side of the package and shall be covered by metal plate nailed to the package.

8.5. The Seller shall be responsible for any damage or breakage of the Goods that is caused by initially poor packing or for corrosion which is due to initially improper or insufficient coating.

8.6. The dimension of container of 20 or 40 feet:

Should any dimension exceed the above limits, the Seller shall inform the Buyer by telex/fax one month before the shipment and the Seller is obliged to send by DHL the said weight and length information to the Buyer three (3) days before the beginning of expected shipment such as three (3) drawings with necessary indications and instructions and data about length, width and height, gross/net weight, and center of gravity.

All packages exceeding two (2) tons and/or two (2) meters in height shall bear a sign indicating the center of gravity (+) in addition to the markings called for hereof.

Failure by the Seller to comply herewith shall cause him to bear all extra costs and consequences, if any relating to the handling, transportation and assembling in S.R. Vietnam and resulting from such failure.

In any case weight is not to exceed 30 tons for each container or case. In case of containers, the dimensions of the same will be standard ones of maximum 40-foot.

8.7. Tubes, pipes and sectional steel or similar materials which due to international habit could be delivered without packing shall be bundled tightly according to sized in order to avoid breaking during transportation, transshipment and confusion upon arrival at the plant site in Vietnam.

8.8. Spare parts shall be packed in separate packages and shall be marked with the words "SPARE PARTS" beside the normal marking.

8.9. The marking must be clearly done in indelible paint, and not less than five (5) centimeters, unless restricted by the size conspicuously mark on the side of the package appropriate international marks according to different characteristics and the requirement for transportation, loading and unloading of the Goods.

8.10. Marking shall be done on the three sides of each package containing equipment, on the two opposite sides and on the top as follows:

Contract No _____ Item No _____

Consignee (Name and Address)

Port of Loading (exit): _____

Port of Destination: _____

Gross weight (kg) _____ Net weight (kg) _____

Dimension:

Length (cm) _____

Width (cm) _____

Height (cm) _____

Position of Center of gravity (+) Package No..... /Total Number of packages

The above markings shall be on all documents forwarded to the Buyer.

9. QUALITY

All goods shall be brand-new, free from defects and imperfections and of first class economical and commercial quality. Goods must be manufactured in accordance with the best modern practice according to the latest applicable standards and specifications of any International Standards Associations (I.S.A.) or to equivalent applicable standards and specifications established and approved by the country where the Equipment is manufactured and in accordance with the Contract Specifications.

The materials used for the manufacture of the equipment and spare parts, workmanship therefor as well as technical execution and assembly must be of the high quality.

Subject to the Technical Specification, the Seller must take every precaution in design in order to take into account the environmental conditions prevailing in Vietnam especially the hot and humid tropical weather conditions. All equipment shall be tropicalized and whenever applicable, derated to compensate for high humidity factor and ambient temperature.

10. PERFORMANCE BOND AND DOWN PAYMENT BANK GUARANTEE

10.1. Down Payment Guarantee:

(Within 30 days) after the date of signature of the contract, the Seller shall inform the Buyer by telex or by fax his obtaining of a Down Payment Bank Guarantee. The amount of Down Payment Bank Guarantee shall be equal to (15 %) of the total contract price. This Bank Guarantee will be valid as from the date of receiving the

Down Payment by the Seller. The amount of this Bank Guarantee is to be automatically reduced in proportion with the deduction for Down Payment made on each invoice.

The form of the Down Payment Bank Guarantee shall be in conformity with the form specified in **Annex 5** of the contract.

10.2. Performance Bond:

Within (30 days) after the date of signature of the contract, the Seller shall inform the Buyer by telex or by fax his obtaining of a Performance Bond. The amount of Performance Bond shall be equal to (10 %) of the total contract price. This Performance Bond will be valid as from the effective date of the contract.

The Performance Bond. will be completely released at Final Acceptance. The form of the Performance Bond shall be in conformity with the form specified in **Annex 5** of this contract.

11. CONTRACT PRICE

11.1. Total Contract Price:

The Total Contract Price is a lump sum equivalent to Euro _____

(Say: _____). This price is firm and not revisable if the contract will be effective before (date, month).

In case the contract would not be effective at this date, the Buyer and the Seller will meet each other to discuss a price revision or a modification of the scope of supply and services in order to maintain the price taking into account the increase of the cost of supply and services.

In case of delay in the progress of the local work to be performed by the Buyer (civil work, local manufacturing of parts of equipment, erection ...) delays the date of beginning of the Seller's services on site by more than (twelve (12)) months, the Buyer and the Seller will meet each other to decide the adjustment to be made to the prices for the delayed services. In case the parties can not come to an agreement, the Seller shall have the right to cancel the delayed services and the dispute will be submitted for Arbitration as per Article 22.1 and 22.2 of the contract.

However, in case variation is unavoidable it shall be made in accordance with Article 23 of this Contract.

11.2. The prices as specified in the Article 11.3. are understood to be [.....] Port, S.R. Vietnam, in accordance with INCOTERMS 2001, included technology transfer, designing, packing, marking, painting, factory assembling and testing, training, inspection, supervision of installation, testing and commissioning, sea freight, unloading to the quay charges, insurance and Guarantee Period for (19 (nineteen) months) from the unloading date of the last shipment or twelve (12) months from the date of Protocol of Acceptance; whichever come first.

11.3. Price List: as specified in the **Annex 3** and to be considered as basic for commercial invoices.

Above mentioned price includes:

- Technology transfer.

- Engineering design of machinery.
- General layout of building.
- Equipment and materials
- Tools.
- Spare parts for one-year operation.
- Training of the Buyer's specialists in Europe and at site.
- Supervision of erection.
- Supervision of commissioning.

11.4. Payment Terms

11.4.1 . All payments shall be made in USD

11.4.2 Payment instruction

(i) Down payment of 15% (___) of the total contract price amounting to _____ will be paid to the Seller's account with _____ against the Seller's presentation of the following documents:

- The commercial invoice: 3 originals
- A Down payment Bank Guarantee as per **Annex 5** issued by the Seller's bank in favour of the Buyer.
- Performance Bond of 10 % of the contract price as per **Annex 5**.

(ii) other instalments

a. For Process transfer and detailed engineering:

+ 70 % of this amount: after delivery of technical documents against presentation of the following documents:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ List of engineering documents and studies

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ A copy of the acknowledge of receipt of the documents

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ The commercial "invoice : 3 originals

+ 35 % of this amount: after Provisional Acceptance against presentation of the following documents:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ Commercial Invoice covering above mentioned amount: 3 originals.

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ Protocol of Acceptance signed by the Parties.

b. For Contractor's services and supervisions of erections, commissioning and startup:

+ 70 % of this amount: prorata the progress of the works against:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ Monthly progress statement

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ Commercial Invoice covering above mentioned amount: 3 originals.

+ 35 % of this amount: after Provisional Acceptance against presentation of the following documents:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ Commercial Invoice covering above mentioned amount: 3 originals.

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ Protocol of Acceptance signed by the Parties.

c. For Equipment and materials:

1. 70 % of this amount: prorata to each shipment against the Seller's presentation of the following documents:

+ In case of delivery by sea:

<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Duly signed Commercial invoice	2 originals and 4 copies
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Clean shipped on board Bill of Lading marked "Freight prepaid", "to order of the Buyer", "notify to the Buyer"	2 originals and 2 copies
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Certificate of Origin	1 originals and 1 copies
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Packing List in details	3 originals and 2 copies
Insurance Certificate/Policy in duplicate endorsed in blank for 110% of the [____] value	2 originals and 1 copy
Quality and Quantity Certificate issued by the Manufacturer	2 originals and 2 copies
Certificate of Test issued by the Manufacturer	2 originals and 2 copies
Certificate of the Seller to certify having sent one set of documents as specified in Article 6.6. together with the receipt of Courier Service Company Copy of Seller's Notice of shipment	2 copies

+ In case of delivery by air:

<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Commercial invoice	2 originals and 4 copies
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Clean shipped on board Airway Bill marked "Freight prepaid", "to order of the Buyer", "notify to the Buyer"	2 originals and 2 copies
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Certificate of Origin	1 original and 1 copies

□□□□□□□□ Packing List in details	3 original and 2 copies
Insurance Certificate/Policy in duplicate endorsed in blank for 110% of the CIP value	2 originals and 1 copy
Quality and Quantity Certificate issued by the Manufacturer	2 originals and 2 copy
Certificate of Test issued by the Manufacturer	2 copies
Certificate of the Seller to certify having sent one set of documents as specified in Article 6.6. together with the receipt of Courier Service Company Copy of Seller's Notice of shipment	

2) 5 % after Provisional Acceptance against presentation of the following documents:

□□□□□□ Commercial Invoice covering above mentioned amount: 3 originals.

□□□□□□ Protocol of Acceptance signed by the Parties.

11.4.3. Documents:

Each drawdown is subject to the condition precedent that the Seller's Bank will be provided with the documents referred to in **Article 11.4.2.1 and 11.4.2.2** above. All documents will be reviewed by the Seller's Bank in accordance with Rules of Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce

In case of discrepancy in any of the documents submitted to the Seller's Bank, the Seller's Bank shall inform the Buyer's Bank by telex or telefax of such discrepancy and request for approval of such document. Upon failure by the Buyer's Bank to answer the Seller's Bank by telex or telefax within 15 (fifteen) days as of the date of the Seller's Bank telex or telefax, such documents shall be deemed approved and the Seller's Bank shall be authorised to make the payment.

All banking fees and expenses, including commission and other charges arising outside S.R. VIETNAM shall be for the Seller's account, except those related to the credit agreement.

All procedures concerning the payment of the contract shall be in conformity with the credit agreement to be signed between _____ Bank (German) and Vietcombank (S.R. Vietnam) which shall be an integral part of the contract.

12. LIQUIDATED DAMAGES FOR DELAYED DELIVERY

12.1. In case of delay in delivery on basis of [...] delivery date indicated in the Time schedule stated in Annex 8 of the contract, the Buyer has the right to request the Seller to pay the liquidated damages for delay in delivery as follows:a.

- No liquidated damages if the delay is less than one month.- ____ % of shipment value of the goods delayed in delivery if the delay is comprised between 1 month and 2 months.

- ____ % of shipment value of the goods delayed in delivery if the delay is comprised between 2 months and 3 months.

- ____ % of shipment value of the goods delayed in delivery if the delay is comprised between 3 months and 4 months.

b. Accumulated liquidated damages amount shall not exceed ____ % (_____) of [...] value of delayed shipment of the Goods.

12.2. If delay in delivery of the Goods exceeds (____ months) as the stipulated days in **Annex No. 8** of the Contract, the Buyer shall have the right to cancel the non-fulfilled parts of the contract.

12.3. The rate of liquidated damages for delayed delivery is not subject to alteration by arbitration. The amount of liquidated damages for delayed delivery is to be deducted by the Buyer from the Seller's invoice while effecting the payment. Should the Buyer fail to deduct the sum of liquidated damages for delayed delivery from the Seller's invoice, the Seller has to pay it immediately at the Buyer's first request.

12.4. The Seller shall inform the Buyer as soon as possible about the expected delay in delivery FOB. In case the Buyer accepts the delay announced by the Seller, no liquidated damages for delayed delivery will be applied.

13. SHOP INSPECTION BEFORE DELIVERY

13.1. The Seller shall carry out at his expenses the inspection of the equipment at his or his sub-contractor's works.

13.2. The Seller shall issue the inspection report confirming that the equipment has been manufactured in strict conformity with the terms and conditions of the Contract.

On this basis a Quality Certificate shall be issued and signed by the Seller.

13.3. For equipment items which are to be assembled after manufacturing, prior to shipment the Seller is to make the control assembly and the check of the mechanical function.

13.4. Final tests and acceptance of the equipment for operation are to be made at the plant site in Vietnam in accordance with Article 15.

13.5. The Seller agrees that the Buyer shall send his representatives to attend Shop;

Inspection, Factory Test Witness at the Seller's factory as follows:

For the whole equipment to be delivered under this contract, a total of _____(____) persons, each of them for Shop Inspection, Test Witness during _____ (____) days.

13.6. Duly accredited representatives of the Buyer will be conditioned by the Seller for at any time during working hours, having access to the Seller's workshops for inspecting the Goods to be supplied under this Contract, and for witnessing tests.

All inspections and witnessing of tests shall be made in such manner as not to unduly affect the work of the Seller and shall not release the Seller from guarantee of Goods quality as specified in the Contract. The Seller shall also furnish these representatives with all relevant and disclosable information they may ask for.

Acceptance of the work or waiving of inspection or witnessing tests by the Buyer shall in no way relieve the Seller from responsibility for supplying the Goods in accordance with the requirements of the Contract.

13.7. In addition to the above, the following is mutually agreed between the parties:

within ____ (__) months from effective date of Contract the Seller shall submit to the Buyer a complete list of the tests which shall be carried out at the factory. The Buyer shall inform the Seller of the list of tests which shall be possibly witnessed by the Buyer. The Seller shall inform the Buyer with 60 days advanced notice about the scheduled date of shop inspection and testing.

The Seller will confirm to the Buyer with 14 days advanced notice of the final date of shop inspection and testing.

In any case, test shall be carried out without delay according to testing schedule, irrespective of the presence of the Buyer's inspectors.

13.8. All expenses regarding to the shop inspection, test witnessing shall be borne by the Seller up to a maximum total amount of 3% of value of each part.

14. GUARANTEE

14.1. The Seller guarantees that:

14.1.1. The supplied equipment and technical documentation will ensure the achievement of the guaranteed performance as stated in this Contract.

14.1.2. The supplied equipment and technical documentation as well as automation and mechanization of the production process will be of the latest world technical achievements for this particular type of the plant which will be available to the Seller at the time of delivery.

Should any part which is not included into the scope of supply but necessary for the normal operation of the whole system be revealed, the Seller undertakes to deliver it to the Buyer immediately on the basis of Danang port or any airport of S.R. Vietnam at his own cost.

14.2. If, after the fulfillment of the technical documentation or during the manufacture of the plant equipment, a technical modification or improvements are proposed by the Seller, the Seller shall submit to the Buyer free of charge the comprehensive technical documentation, the Seller shall supply such modified or improved equipment in case the Buyer accepts such new proposal by written consent.

14.3. The guarantee period for the plant, provided that all operating manuals and all instructions supplied as stipulated in this Contract are observed, shall be 12 months from the Provisional Acceptance but not later than (____) months from the date of the last shipment.

This period will be extended accordingly if the plant operation has been stopped due to the Seller's fault.

14.4. If during the guarantee period for the plant any equipment proves to have any defects or to be incomplete, wholly or partly, or if it is not made in accordance with the terms and conditions of the Contract, the Seller undertakes, at the Buyer's request, to eliminate the detected defects without any delay within a reasonable period agreed upon between the parties for such elimination and without any additional payment of the Buyer's party. The Seller at his cost has to revise or replace the documentation in case of faulty design and/or to repair or replace the defective or incorrect equipment items or parts thereof. Nevertheless, manpower from the Buyer for repair will be free of charge to the Seller.

14.5. All expenses related to delivery of the relevant equipment items or parts for such replacement of delivery basis of Danang port shall be borne by the Seller. The guarantee period for the replaced or repaired equipment items or parts is 12 months from the date of their start of operation, but not more than 18 months from the date of their arrival at the port.

The defective equipment items or parts after replacement by new one(s) may be sent back to the Seller if he so requests, at his expenses, on FOB Da Nang basis within the time agreed on by the parties.

14.6. If the Seller fails to eliminate the defects claimed by the Buyer, as referred to in Article 14.4, the Buyer has the right to eliminate these defects by himself, at the Seller's expenses, without releasing the Seller from his obligations concerning the guarantee mentioned in this Article. In this case, if parts are purchased by the Buyer without written advanced agreement by the Seller, the Seller will not be released from his obligations concerning the guarantee mentioned in this articles, except for the parts purchased from another supplier. In this case, the Seller is to cover actual expenses for repairs. Any small defects the elimination of which is urgent and does not require the presence of the Seller will be removed by the Buyer and notified the Seller by fax or telex and actual expenses will be charged to the Seller's account.

14.7. If the defects as per Article 14.4 cannot be removed for the Seller's fault, the Buyer has the right to request the Seller to replace a machine or a piece of equipment or spare parts at the Seller's expenses on the conditions of Danang port.

14.8. The Seller guarantees that:

A. The total production capacity will be:

When the performance test is declared successful, the Buyer's and the Seller's site representatives sign the Protocol of Acceptance which confirms that the Provisional Acceptance is acquired.

14.9. The first performance test is performed at the Buyer's cost. In case the first performance test is unsuccessful, the Seller is responsible to repeat the test within 45 days at the Buyer's cost.

In case the second test is unsuccessful, the Buyer shall decide if the third test shall be performed or if the Seller will pay the liquidated damages for lack of performance as per Article 14.10.

In case the Buyer decides the third test to be performed, this test will be performed within ____ (__) days at the Buyer's cost if the global efficiency is comprised between 95% and 100 % of the guaranteed efficiency and at the Seller's cost if it is lower than 95%.

14.10. The liquidated damages for lack of performance, when applicable, will be applied as follows:

For each full percent of decrease in global efficiency expressed in percentage of the guaranteed global efficiency, three percent (3%) of the contract price will be paid by the Seller as liquidated damages for lack of performance.

In case of payment made by the Seller for liquidated damages for lack of performance, the Provisional Acceptance will be deemed to be acquired.

Total amount of liquidated damages for lack of performance shall not exceed 3% of the total contract price.

The aggregate of liquidated damages for delayed delivery (Article 12.1) plus liquidated damages for lack of performance shall in any case not exceed 4% of the grand total contract price.

14.11. During operation if there is any part of equipment or machine which is not specified in this Contract but necessary for operation of the plant, the Seller shall at his cost send them to the plant site within sixty (__) days from the receipt of the Buyer's notification.

14.12. The Seller shall undertake to supply any part, equipment or machines or spare parts at the Buyer's request and cost after the guarantee period.

14.13. The Seller guarantees that all processing, control and auxiliary equipment and spare parts supplied under this Contract are complete and in conformity with the operation and maintenance of the complete plant supplied under this Contract.

14.14. In case of claim the Buyer can notify the Seller at the latest within 40 days after the end of the guarantee period provided that the defect arise during the guarantee period.

14.15. Upon termination of the guarantee period the Buyer's and the Seller's representatives sign the Protocol of Final Acceptance which confirms that the Final Acceptance is acquired.

14.16. The guarantee is based on the following conditions:

- The Buyer guarantees the equipment and services supplied by the Buyer are of adequate design, material and workmanship and of good quality.
- The equipment shall be installed, operated and maintained by the Buyer in conformity with the specifications, instructions and recommendations of the Seller.

- The Buyer shall make available, free of charge, the necessary qualified personnel as well as the necessary materials, facilities, spare parts and services as specified by the Seller.

- The detection of defects under this guarantee has immediately to be notified at the latest within 14 days in writing to the Seller. Failing this, no right can be derived from this defects.

15. ERECTION, PRELIMINARY ACCEPTANCE TEST, PERFORMANCE TEST AND ACCEPTANCE

15.1. Erection

15.1.1. Before erection packages shall be opened for checking with the presence of the Buyer's and the Seller's Site Managers. In case components mentioned in the packing lists are found missing or damaged, a report signed by the Buyer's and the Seller's Site Managers shall be prepared, also giving a detailed description of the packing at the time of checking.

15.1.2. If, according to the above report, say, components are found damaged and/or omitted and the packing is in good condition, bears no signs of having been opened then the Seller shall repair or deliver free of charge to the Buyer to Danang port the replacement and/or supplement component as soon as possible.

15.1.3. In case of missing and/or damaged components caused by the Buyer's side then the Buyer and the Seller shall make an agreement on the condition of delivery or replacement(s) and the terms of payment thereof.

15.1.4. The Buyer undertakes to carry out, at his own expense, customs clearance and transportation of all machinery, equipment and spare parts from Da Nang port to the erection site and provide for all facilities, manpower and whatsoever necessary to carry out the erection of machinery and equipment.

15.1.5. The erection of all the equipment supplied by the Seller shall be carried out by the Buyer's personnel under the supervision and technical instruction of the Seller's technical personnel (according to Annex..) in accordance with the manufacturing design, drawings, specifications, instruction manuals, all supplied by the Seller and/or given by the Seller's personnel. The two Site Managers shall review the time schedule for all erection work as well as preliminary acceptance test and performance test of the complete plant.

15.2 Preliminary Acceptance tests and Performance test

15.2.1 Preliminary Acceptance tests

Each individual machine is checked mechanically and electrically and a no-load run test is made for each machine and for the complete line with a view to verify that the equipment is able to function under operational conditions.

When the Preliminary Acceptance test is declared successful, the Buyer's and the Seller's site representatives sign the Protocol of Preliminary Acceptance which confirms that the Preliminary Acceptance is acquired.

15.2.2 Performance test

As soon as the preliminary acceptance tests are achieved, the adjustment for load test will be carried out by the Seller's specialists and completed within 14 days. The performance test will be carried out for 2 hours. The test is declared successful if a global efficiency of 86% is achieved under normal conditions of operation and with raw materials as specified by the Seller's supervisors. If the global efficiency of 86% is not achieved, a detailed analysis of the causes is made together by the Seller's and the Buyer's site representatives.

If these causes are under the responsibilities of the Seller, the conditions of article 14.9. shall be applied..

Minor defect: A defect occurring during performance test requiring not more than two (2) hours to be remedied.

Major defect: A defect occurring performance test requiring more than two (2) hours to be remedied.

If minor defects affect the performance test, the total duration of the test will be extended accordingly.

In case of major defect occurs during the performance test, the Buyer's and the Seller's representatives will jointly decide whether the test can be continued or declared unsuccessful.

16. IMPORT/EXPORT LICENSES

16.1. The Seller shall at his expenses and risks obtain, in due time, from respective authorities of the countries of origin any necessary export license for exportation to and utilization in S.R. VIETNAM of the plant equipment, materials, spare parts, technical documents and replacements, if any, and for the purpose of the Seller's obligations of the contract in general.

16.2. Notice of obtaining of export licenses for the shipment shall be submitted by the Seller to the Buyer within ____ (____) days after the effective date of the Contract.

In case export license is not necessary for exportation to S.R. VIETNAM of the plant equipment, materials, spare parts, technical documents, replacement parts, instead of the license, the Seller shall submit to the Buyer a letter stating that export license is not necessary for the shipments.

16.3. The validity of the export license shall be longer than the time of execution of the Seller's obligations under this Contract by at least ____ (____) days. The Seller shall at his own expenses and risks prolong the validity of such export license by the time of any delay occurred in the execution of this Contract.

16.4. The Seller is to bear and pay all export duties and/or charges being imposed outside S.R. VIETNAM whether these are prevailing at the time of signing the contract or being levied on the exported plant equipment, materials, spare part, technical documents, replacement parts, if any, as a result of a new law and/or order and/or statutory instrument and the like issued by the government or any other authority outside S.R. VIETNAM without any interference from the part of the Buyer.

16.5. The Buyer shall at his own expenses and risks obtain any import license required by the authority in S.R. VIETNAM both for importation of all plant equipment, materials, spare parts, technical documents and replacement parts, if any, and for the purpose of the Contract in general.

16.6. The validity of the import license shall be longer than the time of execution of the Buyer's obligations under this Contract by at least ____ (____) days. The Buyer shall at his own expenses and risks prolong the validity of the import license by the time of any delay occurred in the execution of this Contract.

16.7. The Buyer is to bear and pay all customs and import duties, fees and/or any other charges being imposed in S.R. VIETNAM whether these are prevailing at the time of signing the contract or are being levied on the importation of the plant equipment, materials, spare parts, technical documents and replacement parts, if any, as a result of a law and/or order and/or statutory instrument and the like issued by the government or any other authority in S.R. VIETNAM without any interference from the part of the Seller.

17. FORCE MAJEURE

17.1. All occurrences and circumstances which happen after the Contract has come into force due to unforeseen and unavoidable facts of an extraordinary character beyond the will and control of the contracting parties hereto, and which directly affect the fulfillment of the whole and/or part of the contractual obligations are to be considered as cases of force majeure.

17.2. The party claiming relief from performance of his obligations under the contract due to force majeure shall be excused as a result thereof from liquidated damages or other responsibility and/or liability of any kind whatsoever arising from delay caused by such force majeure and the time of performance of said obligations shall automatically be extended by a period caused by the force majeure, provided all formalities as specified hereunder shall be strictly complied with.

17.3. The party claiming relief from performance of an obligation under the Contract due to force majeure shall inform the other party thereof by fax immediately but not more than twenty (20) days after the commencement of such force majeure and termination thereof and confirm it within seven (7) days of the date of such fax -by-registered air-mail letter.

17.4. The said information must contain proof of the occurrence, nature of such circumstances and their commencement and termination date and consequences. Such information shall be confirmed as soon as possible by a certificate issued by the National Chamber of Commerce of the country concerned verifying the existence, duration correctness of the notified circumstances.

17.5. If the above mentioned formalities are not observed the party claiming to be affected by force majeure shall forfeit his right to claim relief from performance of his obligation due to such force majeure.

17.6. If the case of force majeure should last more than three (3) consecutive months, both contracting parties shall, during the fifth (5th) month, confer with one another and decide the steps to be taken in order to prevent delays. If, in such case no mutual understanding is reached or if force majeure continues more than five (5) months counted from its beginning, the party against whom force majeure has been invoked has the right to terminate the Contract totally or partially by registered letter without further formalities and without compensation of damages to the other party caused by this termination. In such case, Article 22 shall be applied and Arbitration shall settle upon the liquidation of the contractual relations, if a mutual agreement thereof is not reached.

17.7. Any difficulty or delay in obtaining Export License by the Seller shall not be considered as Force Majeure.

18. TAXES AND DUTIES

18.1. The contractual prices of materials and equipment imported into Vietnam and work effected outside Vietnam do not include any tax, duty or charge in Vietnam.

18.2. Services (supervision of erection, testing, commissioning, training in Vietnam, etc.): The service prices include all tax, duty or charge levied on the Seller's personnel during their stay in S.R. Vietnam in accordance with Vietnamese laws, in force at the date of the signature of the contract.

When the Seller intends to bring all necessary instruments, materials and equipment into Vietnam for their performance of the Contract, they must notice the Buyer and be accepted in advance by the Buyer in order that the Buyer can arrange the customs formalities for temporary importation.

All taxes and other duties due to performance of this contract incurred outside of Vietnam shall be at the Seller's charge.

19. ASSIGNMENT

19.1. This contract shall not be assigned except otherwise agreed in writing between the parties and in case of assignment without such prior agreement, the concerned party may refuse to carry out the Contract with either the assignee or assignor, or both; and all the rights of action shall be reserved to and remain with this party.

20. CONFIDENTIAL TREATMENT AND SECRECY

20.1. The Seller shall retain the ownership of studies, drawings, models and any documents issued and communicated to the Buyer, or of which the Buyer may have had knowledge in fulfillment of the Contract. Such information and documents may be used only by Buyer and exclusively for execution of the Contract.

These documents and information shall be treated as confidential and shall not be distributed, published or generally communicated to any third parties without prior permission in writing by the Seller.

The Seller shall retain the exclusive ownership of the studies performed by same, or by its representatives or subcontractors, for execution of the contract.

The Seller and his specialists shall keep in secret all drawings, data, information furnished or given by the Buyer and/or taken by themselves during their stay in the Buyer's country.

The Seller and his Specialists shall not have the right to divulge the drawings, data, information and documents (including the content of the Contract) connected with this object to any third party. However, the authorities and banks concerned shall not be considered as third party.

21. PATENTS AND/OR COPYRIGHTS

21.1. The Seller shall hold and save the Buyer's officers, agents and employees harmless from any costs and expenses, for and in account of any copyrighted compositions, secret processes, patented or unpatented inventions. Articles or appliances manufactured or used in the performance of this copyright including their use by the Buyer unless otherwise specifically stipulated in the Contract.

In case any claim is made by third parties upon the Buyer or his clients in S.R. Vietnam based on such infringement the Buyer shall immediately notify the Seller of such a claim and the Seller shall at his expenses and risk take measures to settle this claim.

22. ARBITRATION

22.1. The parties certify that they have the power to compromise and agree that all disputes arising out or in connection with the Contract (including its validity and termination) and which could not be solved by an amicable settlement shall be finally settled by an arbitrage tribunal consisting of three (3) arbitrators, two of them shall be appointed by each party and the third upper arbitrator shall be selected by the mutual agreement of the above mentioned two (2) arbitrators.

Concerning the procedure, the parties agree to apply the Rules of _____ Arbitration of the International Chamber of Commerce _____ which are well known to the parties and form an integral part of the Contract.

The award of the Arbitrators shall be final and binding on the parties. In case of disputes on technical matters, the parties agree to have recourse as occasion require to the International Center for Technical Expertise of the International Chamber of Commerce in accordance with the Rules of Technical Expertise of the said Chamber.

22.2. The costs of arbitration shall be shared as determined by the arbitrator(s).

23. VARIATIONS

23.1. No variation to the Contract may be made unless agreed in writing by Parties. If any agreed variation increases or reduces the cost for the Seller to perform the Contract, then the Contract Price shall be adjusted accordingly. The time for performance of the Contract shall be altered in accordance with such variation.

24. TERMINATION

24.1. Within fourteen (14) working days counted from the date one party notifies to the other party the Contractual Termination, based on the breach of any Articles or Conditions, the party who makes fault will pay the other party a due compensation in accordance with the terms and conditions of the Contract. In case of a disagreement on the responsible party and/or in the amount of the due compensation, the matter shall be raised to arbitration in accordance with Article 22.1.

24.2. In case the termination of whole or parts of the Contract happens, it shall not influence or do any harm to the regulations in this Article or in Article 19.1., 22.1. and 22.2. of this Contract.

25. CONTRACT DOCUMENTS

The following Documents form part of this Contract:

- The Contract
- Annex No. 1: General Process Description and Layout
- Annex No. 2: Quality standards.
- Annex No. 3: Price list
- Annex No. 4: Spare Parts List
- Annex No. 5: Forms of Down payment Bank Guarantee and Performance Bond.
- Annex No. 6: Technical Assistance
- Annex No. 7: Technical Documentation and Drawings
- Annex No. 8: Time Schedule, shipments
- Annex No- 9: List and Consumption of Consumables

26. GENERAL

26.1. Article headings appearing herein are included for convenience only and shall not be deemed to be a part of this Contract.

26.2. Any modifications of this Contract shall be valid only if they are made in writing and signed by both Parties.

26.3. All corresponding and negotiations which take place prior to the signing of the Contract shall be considered null and void.

26.4. Neither party shall be entitled to transfer its right and obligations under this Contract to any third party without prior consent in writing of the other party.

26.5. This contract is subject to approval of relevant authorities.

Any claim arising from implementation of this contract can only take place after coming into effectiveness of this contract.

All claims under the present Contract shall be made in writing and sent by registered airmail letter. The date of such registration at the post office shall be considered as the date of introduction of such claims. The reply to such claims shall be given immediately but not later than 30 days after their receipt. In urgent cases the claims should be done by fax or telex and be confirmed in written form as outlined in this Article.

26.6. The Buyer performs this contract. Therefore all correspondence concerning contract performance shall be made to the following address:

Name of Company

Address :

Telephone:

Fax:

26.7. This contract is signed in accordance with the credit agreement to be signed between [Name of overseas Bank (Country) and Vietnamese Bank (S.R. Vietnam) which shall be an integral part to this contract.

The Seller endeavours to obtain from his authorities to extend the reimbursement period from 8 to 10 years and to obtain the financing of the interim interest.

26.8. The "Technical Partner and Know-how Owner" and "The End User" are not the third party wherever mentioned in this contract.

26.9. The rights and obligations of both parties hereto are exclusively governed by the contents of this contract.

Any liability exceeding the scope defined herein, particularly for indirect or consequential damage such as but not limited to loss of profit and/or additional cost due to production loss or increased consumption shall be excluded.

26.10. For all notices, modifications and confirmations to be given between the Seller and the Buyer, the period of time wherever mentioned in the Contract could be extended accordingly in case of holidays in [Germany] and S.R. Vietnam.

Those holidays are: Saturdays, Sundays and official holidays in [Germany] and Sundays and official holidays in S.R. Vietnam.

26.11. Correspondence exchanges between the Seller and the Buyer are considered official for the performance of this contract.

27. COMING INTO FORCE AND COMING INTO EFFECTIVENESS OF THE CONTRACT

27.1. Coming into force of the contract.

The present contract will enter into force upon signature of the Seller and the Buyer and the Technical Partner and Know-how Owner and the End User.

27.2. Coming into effectiveness of the contract.

The present contract will become effective upon fulfillment of all the following conditions:

Contract signed by the Seller and the Buyer.

This contract is made in English in [...] copies, two (2) for the Buyer, two (2) for the Seller and ...

FOR AND ON BEHALF OF THE
SELLER

FOR AND ON BEHALF OF THE
BUYER

(Signature and seal)

(Signature and seal)

Full name

Full name

Position

Position