

MODEL CONTRACT
ON
PURCHASE AND SALE OF GOODS –
DIPLOMA PAPER

concluded between

NATIONAL BANK OF SERBIA
12 Kralja Petra Street Belgrade
represented by _____

(hereinafter: Buyer),
of the one part,

and

Bidder's business name: _____
Street _____
represented by _____, Director
(hereinafter: Seller)
of the other part

SUBJECT OF THE CONTRACT

Article 1

The subject of this contract is the purchase and sale of diploma paper (hereinafter: goods), for the needs of the Institute for Manufacturing Banknotes and Coins – Topčider, fully in accordance with the Seller's bid registered with the Buyer under No _____ on _____ 2015 (completed by the Buyer) and the technical specification, constituting an integral part hereof.

PRICE

Article 2

If the bid price is expressed in dinars – the domestic bidder:

Total price of goods for the quantities from the bid form equals RSD _____.

If the bid price is expressed in euros – the domestic bidder:

Total price of goods for the quantities from the bid form equals EUR _____.

Payment shall be made in the dinar equivalent value at the official middle exchange rate of the National Bank of Serbia on the invoice date.

If the payment is to be made to a foreign bidder:

Total price of goods for the quantities from the bid form equals EUR _____.

The price referred to in paragraph 1 hereof excludes VAT.

Real quantities of goods and total price shall be determined based on actually delivered quantities referred to in the minutes from Article 6 hereof, whereas the price may not exceed RSD _____ $\pm 10\%$ of the total price from the bid form for tentative quantities, but not above the estimated procurement value.

PAYMENT METHOD

Article 3

The Buyer shall pay the agreed amount within _____ calendar days from receiving the Seller's correct invoice made upon completed delivery.

When submitting the invoice for the delivered goods, the Seller shall state at the invoice the number under which the contract is registered in the Buyer's records (G. No).

DOCUMENTATION ACCOMPANYING DELIVERED GOODS

Article 4

When delivering the goods, the Seller shall submit the following documents to the Buyer:

- invoice (one original and two copies);
- dispatch notice (one original) – domestic seller;

- bill of lading (one original and two copies) – foreign seller;
- EUR 1, the document certifying that the goods shall be imported in Serbia from the European Union, or the statement on account authorisation – original (if the goods are from the European Union) – foreign seller.

For a foreign bidder:

During delivery, the Seller shall also submit other documents needed for the importation and customs clearance, ensured by the Seller.

After the dispatch of goods, the Seller must deliver one original copy of the invoice to the Buyer as soon as possible, via courier service – express mail.

METHOD AND DELIVERY OF GOODS

Article 5

The Seller shall deliver goods to the Buyer fully in accordance with the bid and technical specification referred to in Article 1 hereof.

The Seller shall deliver the goods to the Buyer, in accordance with DAP (Incoterms 2010) – to the Buyer's premises at the address: Pionirska 2, Belgrade – a foreign seller.

The Seller shall deliver the goods to the Buyer, with all the accompanying costs – to the Buyer's premises at the address: Pionirska 2, Belgrade – a domestic seller.

The Seller shall announce the timing of the delivery of goods to the email address: ekonomski.poslovi-ZIN@nbs.rs, including the following data: date and time of delivery, bidder's data, names and surnames of persons who will deliver the goods and the vehicle registration number.

TAKEOVER OF GOODS

Article 6

The contracting parties shall perform the qualitative and quantitative receipt and delivery of goods, about which minutes are held, signed by the representative of the Buyer and the representative of the Seller.

During the delivery, the Buyer's representative shall check the delivered goods in the usual manner and immediately inform the Seller of any visible defects.

If a defect is detected after the delivery, such that could not have been detected through usual inspection, the Buyer must immediately inform the Supplier about the defect in writing.

If the Seller knew or had to know about the defects, the Buyer shall be entitled to refer to such defects even if it did not inspect the goods upon delivery, i.e. to duly inform the Seller about the detected defect, and even if the defect was revealed after the expiry of six months from the delivery of goods.

Article 7

In cases from Article 6, the Buyer's representative shall be entitled to ask from the Seller to remove the defect or to deliver other goods without defects (contract fulfilment).

If the Seller fails to fulfil the contract within 5 days after the receipt of a request for the fulfilment of the contractual obligations from paragraph 1 hereof, the Buyer shall be entitled to request either a price discount or contract termination, whereof the Buyer shall inform the Seller in writing.

The Buyer may terminate the contract if it previously provided an additional, adequate deadline for the Seller to meet its contractual obligations, which cannot be longer than 3 days since the day of the receipt of the notification from paragraph 2 hereof.

The Buyer may terminate the contract even without granting the Seller an additional deadline, if the Seller has informed the Buyer that it cannot meet the contractual obligations, i.e. when it is obvious that the Seller will not be able to meet its contractual obligations even within the additional deadline.

The Seller shall submit to the Buyer the credit note covering costs including customs clearance of goods with defect (customs, VAT and shipping cost). In case of contract termination, the Seller shall return all defective deliveries at its expense.

CONTRACTUAL PENALTY

Article 9

If the Seller is late with the delivery of goods referred to in Article 1 hereof, it shall pay to the Buyer for each day of delay 0.2% of the total price referred to in Article 2 hereof.

If the Seller fails to meet its contractual obligations, or executes them only partially, it shall pay to the Buyer a contractual penalty equalling 5% of the total price referred to in Article 2 hereof.

The total amount of the contractual penalty may not exceed 10% of the total price from Article 2 hereof.

The Buyer's right to charge a contractual penalty shall not affect its right to demand damage compensation.

LEGAL DEFECTS

Article 10

The Seller shall deliver the goods to the Buyer which are free from any rights or claims of third parties. The Seller shall be liable to the Buyer if a third party claims any rights to the goods delivered which either exclude, reduce or restrict the Buyer's right to the use and disposal of such goods.

FORCE MAJEURE

Article 11

If one of the parties is rendered unable to perform its obligations under this contract as a result of the occurrence of an external event beyond its control and impact, and which could not have been objectively foreseen at the time of contract conclusion and which the contracting party could not have avoided or overcome (force majeure), the contracting party affected by force majeure shall be released from liability for the non-performance of its contractual obligations. Such release from liability shall become effective from the moment the inability to perform occurs.

The affected party shall notify the other party of its inability to perform, indicating the reasons for such inability. If the notification has not been sent to the other contracting party within a reasonable period of time, the contracting party affected by force majeure shall be responsible for the damage deriving from its failure to send the notification.

If the inability to perform is temporary, the release from the performance of contractual obligations shall be effective only until the cessation of the circumstances causing such inability.

If the inability to perform contractual obligations continues for longer than 30 days, the other contracting party may terminate the contract.

The party terminating the contract shall notify the affected party of contract termination. Such notification of contract termination must be rendered in writing and sent to the other party without delay, in a manner proving that the notification has been sent.

CONTRACT CANCELLATION

Article 12

Each contracting party may terminate the contract.

The contracting parties agree that the cancellation deadline in the case referred to in paragraph 1 hereof equals 30 days and lasts from the day of submission of the written notification of cancellation and evidence of its justifiability.

If any contracting party cancels the contract without any justified and objective reason and a reason which may be proved, the other contracting party is entitled to charge the contractual penalty in the amount of 10% of total contract value.

WRITTEN FORM OF CONTRACT

Article 13

All deadlines and terms relating to the entire contents of this contract must be in writing.

Contracting parties agree to conclude all amendments and supplements to this contract in writing, through the agreement of the will of both parties.

POWER OF REPRESENTATION

Article 14

The contracting parties warrant to each other that this contract will be signed in their name and for their account by their authorised representatives.

The non-existence of, or a defect or limitation in the authorisation of a representative of either party to sign this contract in their name and for their account, gives the right to the other party to claim compensation for all damages suffered therefor.

APPLICABLE LAW

Article 15

For a domestic bidder:

Issues not regulated by this contract shall be governed by the Law on Contracts and Torts.

For a foreign bidder:

The issues not regulated by this contract shall be governed by the Swiss Federal Code of Obligations.

JURISDICTION

Article 16

The contracting parties agree to resolve amicably any disputable issues under this contract.

For a domestic bidder:

Any disputes which may arise herefrom or in relation herewith shall be finally resolved before the Commercial Court in Belgrade.

For a foreign bidder:

Any disputes which may arise herefrom or in relation herewith shall be finally resolved in accordance with the rules of Foreign Trade Arbitration at the Serbian Chamber of Commerce, in accordance with its Rulebook. The place of arbitration shall be Belgrade.

The language used in the arbitration procedure and correspondence shall be English.

Article 17

For a domestic bidder:

This contract is rendered in 6 (six) identical copies, of which three (3) copies are intended for each party.

For a foreign bidder:

This contract is rendered in 6 (six) identical copies in the English language, of which three (3) copies shall be retained by each party.

For the Seller

For the Buyer
