**19 of November 2020**

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| S A L E S & P U R C H A S E  A G R E E M E N T  COPPER CATHODES  500MT/TRIAL |
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**S A L E S & P U R C H A S E A G R E E M E N T**

**Date: 19/11/2020**

**Contract No:**

**Seller’s code:**

**Buyer’s code:**

COMPANY NAME :

ADDRESS :

CITY :

COUNTRY :

TELEPHONE :

FAX :

E-MAIL :

REPRESENTED BY :

(Herein after referred to as the ‘BUYER’)

AND

COMPANY NAME : **UNITED SOUTH AFRICA**

ADDRESS :

CITY : **JOHANNESBURG**

COUNTRY : **SOUTH AFRICA**

TELEPHONE : **011 908**

E-MAIL : :

REPRESENTED BY : **ANDREAS**

(Herein after referred to as the ‘SELLER’)

**WHEREAS:** The seller and buyer, each with the full necessary authority warrants that each can meet the requirements of this agreement, and respectively provide the products and funds referred to in this contract, in time and on the terms agreed under;

**WHEREAS:** The Buyer confirms and accepts this spot trial contract to buy **200-500 MT (Two Hundred to Five Hundred metric tons of Copper Cathode (Non-LME Electrolytic Copper Cathode, Grade A Cu purity - 99.99% minimum 99.96%.) as a spot deal at LME Less-10% Ex Bonded warehouse Johannesburg ,South Africa and thereafter 1000-1500 tons Monthly ,** with an option for rollover and extensions.

**WHEREAS:** the seller and the buyer have agreed to finalize this contract and the goods offered for sale is only subject to the terms and conditions contained in this Agreement and its legitimate additives, and shall remain strictly confidential between Buyer and Seller and nothing contained in this agreement shall be construed or have an effect as constituting any partnership between the parties. And therefore, the parties agree as follows:

1. **GOODS**

**1.1.** Non-LME Electrolytic Copper Cathode, Grade A Cu purity - 99.99% minimum 99.96%.

**1.2.** Country of origin is **The Democratic Republic of Congo**

1. **QUANTITY OF THE GOODS**

**2.1** The **unit of the measurement** in this contract is **metric ton** (MT)

**2.2** **200-500 M/T**. Final weight by the SGS (EQUIVALENT INSPECTION AGENCIES) inspection results at the port of loading should prevail and be settled.

1. **QUALITY OF THE GOODS**

**3.1** Inspection by SGS/Robison/Alex Stewart at Buyer’s Bonded Warehouse Johannesburg, South Africa; representative of SGS/Robison/Alex Stewart or similar shall be at the port of loading, confirm in writing as per a qualified and Authorized Certificate Grade A standard Copper Cathode-1, **Cu purity 99.99%** (**minimum 99.96%**) as per the terms and conditions stipulated herein. The buyer may have the same procedure by CIQ at his own cost upon arrival at the port of destination.

**3.2.** The buyer and seller will try in good faith to reach a mutually agreed determination of the result of the final assay on each arrival. If it is mutually determined between the parties that the delivered goods do not confirm to the specification set forth in this contract, then the unit price and value of this contract shall be subject to be according to the final inspection result at the delivered bonded warehouse and or the buyer has the right to reject or if possible negotiate.

**3.3 PACKING:**

Palletized by metal straps bands and odd into 20 feet container.

Shipping mark: showing “**HUBASS**” and package number, Not showing any manufacturer’s and seller’s information.

1. **CONDITIONS AND REQUIREMENTS OF DELIVERY**

The seller shall deliver the goods under delivery of condition at the buyer’s bonded warehouse in Johannesburg, South Africa.

**4.1.** **A trial quantity of 200-500 Metric tons** will be delivered by Seller at **Buyer’s Bonded Warehouse Johannesburg, South Africa.**  Please note inter-transfer between warehouses come at great cost to the seller and therefore cannot work.

**4.3.** Thereafter, a monthly purchase quantity of **1000-1500** metric tons will be delivered; subject to availability to **Buyer’s Bonded Warehouse Johannesburg, South Africa** by Seller**. (Point 6 Shipping Scheduled)**

**4.4.** Partial delivery for the spot deal is not allowed.

**4.5**. Upon successful delivery and payment of trial transaction, partial delivery of minimum of **500MT** (Five hundred Metric Ton) is allowed as per shipping schedule minimum quantity to be supplied.

1. **DELIVERY TERMS AND PARTY OBLIGATIONS**

**5.1.**  The seller shall deliver the goods to buyers Bonded warehouse in Johannesburg.

**5.2.** Loading port: **Ami Manica Bonded Warehouse Kitwe, Zambia**

**5.3.** Country of origin: **DEMOCRATIC REPUBLIC OF CONGO**

**5.4.** Destination: **Buyer’s bonded warehouse , Johannesburg, South Africa**

**5.5.** The seller shall deliver the quantity of the goods of shipment between 14 working days after signing of contract and receipt of irrevocable, 100% SBLC

**5.10.** The buyer is fully responsible for the good’s discharge at the port of destination.

1. **SPECIFICATIONS:**

Copper Cathode size is 914mm x 914mm x 12mm, the specifications and quality should be analysed by SGS/CIQ. COPPER CATHODE GRADE A, 99.96%~99.99%（Cu, <99.96% can be rejected.

**Chemical Composition:**

|  |  |  |  |
| --- | --- | --- | --- |
| ELEMENTS | VALUE | ELEMENTS | VALUE |
| COPPER | 99.99% | ANTIMONY(ppm) | 0.1 |
| IRON (ppm) | 2 | SILICA(ppm) | 0.3 |
| SULPHUR(ppm) | 4 | COBALT(ppm) | 0.2 |
| OXYGEN(ppm) | NIL | ARSENIC(ppm) | 0.1 |
| ARGENT(ppm) | 10 | BISMUTH(ppm) | 0.1 |
| LEAD(ppm) | 0.2 | MANGANESE(ppm) | 0.1 |
| NICKEL(ppm) | 0.2 | TELLURIUM(ppm) | 0.05 |
| SELENIUM(ppm) | 0.3 | ALUMINUM(ppm) | 0.5 |
| MAGNESIUM(ppm) | 0.4 |  |  |

1. **DOCUMENTS**

Seller will provide the Buyer with copies of all documents as specified herein

1. Certificate of origin.
2. Certificate of content.
3. Export and Import license.
4. Final Commercial invoice.
5. Packing lists.
6. SKR
7. T1’s Customs declaration report–taxes and duty are cleared (country of origin)
8. Inspectorates documents by agreed international surveyor
9. **PRICE AND PAYMENT TERMS**

**8.1** The seller agrees to sell and the buyer agrees to buy the goods at the agreed price of LME minus **9% (Nine percent)** per metric ton, at 12am noon fixing on LME average minimum of the day on the date when the SKR or on incoterms 2010, where only after payment is confirmed to seller’s bank account, will transfer of title and ownership be transferred to the buyer.

**8.2** UNIT PRICE: All goods are sold in US dollar Currency. **USD 00.00** per M/T

**8.3** TOTAL AMOUNT: **USD0, 000, 000.00** **(U.S DOLLARS ONLY)**

**8.4** Invoice is issued on date of SKR or bill of loading for payment to be made in full to Sellers bank account within 48 hours after International Inspectorate confirmation and SKR.

**8.5** 200Mt-500Mt trials will be delivered by Seller to buyer’s bonded warehouse in Johannesburg South Africa, after SKR receipt and assay report, provided a commercial invoice is dispatched.

**8.6** Thereafter, an amount of not less than 500 metric tons will be delivered every month to **Buyer’s Bonded Warehouse Johannesburg, South Africa** by Seller for the duration of the contract.

**8.7** A minimum of 500 metric tons +-10% is allowed where up to 1000-1500 metric tons can be supplied monthly or as arranged with the buyer.

1. **PAYMENT TERMS, CONDITIONS AND MODUS OPERANDI**

**9.1.** 100% Irrevocable SBLC EX Buyer’s Bonded Warehouse Johannesburg, South Africa.

After accepting delivery, the buyer is responsible for: all storage costs provided in his bonded warehouse, all export documents, costs and taxes required to export the goods.

**9. 2.** Payment is made to seller after the result of the Final SGS report and against presentation of all documents as per clause 9.1 herein.

**9.3.** Signature by the appointed representative of the buyer’s bonded warehouse, shipping company or of the buyer shall constitute as proof of receipt of the goods and shall be binding on the Buyers to release payment to the seller’s bank as stipulated in clause 15.5 herein. (Subject to the quantity & quality & packing being confirmed by the appointed international surveyor (which is final)

**SELLER’S BANK DETAILS:**

**NAME OF ACCOUNT : UNITED SOUTH AFRICA**

**BANK NAME : STANDARD BAN**

**ACCONT NUMBER : 4202725**

**BRANCH NAME :**

**BRANCHE CODE : 018-305**

**SWIFT CODE : SBZAZAJJ**

**BANK ADDRESS : CNR**

**BUYER’S BANKING DETAILS**

**NAME OF ACCOUNT :**

**BANK NAME :**

**ACCONT NUMBER :**

**BRANCH NAME :**

**BRANCHE CODE :**

**ADDRESS :**

**SWIFT CODE :**

1. **LAW AND ARBITRATION**

**10.1** Any dispute, controversy or claim arising out of, or in relation to this contract, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' of commerce – Geneva. Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules.

The number of arbitrators shall be one.

The arbitral proceedings shall be conducted in English.

The seat of the arbitration will be Geneva.

The arbitration ruling will be final.

**10.2** The Seller and Buyer will try to settle all differences amicably. Each party may serve a notice requiring the other to remedy any default within thirty (30) days after such notice and, if the case is not resolved, the aggrieved party has the right to resort to arbitration pursuant to this contract, unless payment occurs by the buyer during such time.

1. **MISCELLANEOUS**

**11.1** Both parties to this contract are exempt from their obligations in the case of force majeure. (Based on the international chamber of commerce from Geneva-Swiss –rules)

**11.2** Force majeure is understood according to the provisions under ICC500 and means any event such as fire, explosions, hurricanes, floods, earthquakes and similar natural disasters, governmental embargoes or other unforeseeable action occurring after the conclusion of the contract and that is outside the reasonable control of either side and any occurrence that could not be avoided by reasonable diligence that delays or prevents the performance of obligations by either party to this contract.

**11.3** The party to the contract whose performance of the contract is prevented by force majeure shall notify the other part within 15 days of the effective date of the event, which notice must be confirmed by a certificate issued by the local chamber of commerce and industry, including details of the event and the expected duration. Failing to submit a notification will prevent the exemption from that part of these contractual obligations under the force majeure.

**11.4** The performance of the obligations for any party in such a case will be postponed to the period of the existence of the force majeure plus a reasonable period of remobilized production and shipping. No penalty will be payable for the duration of that period.

**11.5** If the delay caused by an event of force majeure is less than one (1) month, the parties will attempt to agree on the measures to allow the contract to continue. If agreement cannot be reached within 30 (thirty) days from the date of this certified force majeure; the parties are entitled to terminate the contract.

1. **NON-CIRCUMVENTION AND NON-DISCLOSURE**

Parties accept and agree to contract under the provisions of the international chamber of commerce (I.C.C) non-circumvention, non-disclosure and working agreement rules and conditions, as attached. This clause is extended to all subsidiaries and affiliates.

1. **DOMICILIM CITANDI ET EXECUTANDI**

The parties’ legal addresses are those as stated herein above.

All notices delivered electronically by e-mail or fax shall be deemed to have been delivered and be legally binding on both partied contracting here in.

**For Seller:**

**Address: 6 PI**

**Tel.: 011 90**

**Email: andreas**

**For Buyer:**

**Address:**

**Tel:**

**Email:**

1. **CONDITIONS OF CONTRACT**

**14.1** The parties also confirm that all funds and source of funds are from legal activities and are of a non-criminal origin.

**14.2** All changes to the contract that are not signed by both parties will be deemed not be binding or enforceable.

**14.3** This Agreement is made effective upon the Buyer and the Seller jointly accepting the terms and conditions.

**14.4** A received bill of loading are accepted.

1. **PROCEDURE**

**15.1** The Buyer signs the sales Contract and returns it together with the Bank Guarantee, Letter of credit to the Seller.

**15.2** The Seller returns signed Sales Contract to the Buyer with a pro-forma invoice.

**15.3** Seller issues proof of product to the buyer.

**15.4** After successful delivery of product to bonded warehouse of buyer and final SGS Report and supporting documents by buyer appointed inspectors, Buyer will effect payment by EFT, to the seller’s bank account.

**15.5** Signature by any appointed power of authority of the warehouse shall constitute acceptance of delivery and shall be binding on the buyer (subject to the quantity/quality/packing having been confirmed by the appointed international surveyor).

The parties acknowledge that they fully understand all precedents, clauses and conditions in this contract.

1. **DOCUMENTS**

**16.1** A FULL SET OF 3/3 ORIGINALS PLUS 3 N/N COPIES OF SKR RECIEPT MARKED “ FREIGHT PREPAID”,NOTIFYING THE BUYER,MADE OUT TO ORDER,BLANK ENDORSED.

**16.2** CERTIFICATE OF QUANTITY AND QUALITY ISSUED BY SGS AT THE BONDED WAREHOUSE IN 1(ONE) ORIGINAL AND 2 (TWO) COPIES.

**16.3** CERTIFICATE OF ORIGIN IN 1 ORIGINAL AND 3 COPIES COUNTERSIGNED BY THE CHAMBER OF COMMERCE OR AUTHORIZED ORGANIZATION.

**16.4** SIGNED COMMERCIAL INVOICE BASED ON THE DELIVERED QUANTITY/QUALITY, SHOWING NAME OF VESSEL, DATE OF COMPLETING LOADING, QUANTITY AND STATE OF DELIVERY – 3 ORIGINALS AND 3 COPIES.

**16.5** SIGNED PACKING LIST SHOWING GROSS/NET WEIGHT IN 3 ORIGINALS AND 3 COPIES.

**16.6** FULL SET (1 ORIGINAL AND 2 COPIES) OF INSURANCE POLICY COVERING ALL RISKS BLANK ENDORSED FOR 110 % OF THE INVOICE VALUE.THE CERTIFICATE OF INSURANCE COVERAGE WITH PAYMENT CONFIRMATION ISSUED BY INSURANCE COMPANY.

**16.7** A CERTIFICATE OF NON-RADIOACTIVITY ISSUED BY SGS SURVEYOR.

ALL THE DOCUMENTS MUST BE PRESENTED TO THE BUYER／BUYER'S BANK 3 DAYS AFTER THE SAFE KEEPING RECIEPT．

1. **FORCE MAJEURE**

**17.1.** BOTH PARTIES IN THIS CONTRACT WILL BE EXONERATED FROM THEIR OBLIGATIONS IN CASE OF FORCE MAJEURE EVENT.

**17.2** FORCE MAJEURE IS UNDERSTOOD AS PER PROVISIONS UNDER ICC500 AND MEANS ANY EVENT SUCH AS FIRE, EXPLOSIONS, HURRICANES, FLOODS, EARTHQUAKES AND SIMILAR NATURAL CALAMITIES AS WARS, EPIDEMICS, MILITARY OPERATIONS, TERRORISM, RIOTS, REVOLTS, STRIKES, INDUSTRIAL UNREST, GOVERNMENT EMBARGOES OR OTHER UNFORESEEABLE ACTIONS OCCURRING AFTER CONCLUSION OF THIS CONTRACT AND OUTSIDE THE PARTIES REASONABLE CONTROL, WHICH CANNOT BE AVOIDED BY THE REASONABLE DILIGENCE THAT COULD DELAY OR PREVENT THE PERFORMANCE OF EITHER PARTIES’ OBLIGATIONS ON THIS CONTRACT.

**17.3** EITHER PARTY, WHOSE PERFORMANCE WAS PREVENTED DUE TO FORCE MAJEURE EVENT, MUST NOTIFY THE OTHER PARTY OF THE EFFECTIVE DATE OF ITS OCCURRENCE AND PROVIDE FORCE MAJEURE CERTIFICATE ISSUED BY THE LOCAL CHAMBER OF COMMERCE AND INDUSTRY, INDICATING PARTICULARITIES OF THE EVENT AND ITS EXPECTED DURATION WITHIN 7 (SEVEN) WORKING DAYS.

**17.4** FAILURE TO SUBMIT SUCH A NOTIFICATION WILL PREVENT THE PARTIES EXONERATION FROM CONTRACTUAL OBLIGATIONS UNDER FORCE MAJEURE EVENT WHEREAS SUCH NOTICES IMPOSSIBLE.

1. **ARBITRATION：**

ANY DISPUTE ARISING FROM OR IN CONNECTION WITH THE CONTRACT SHALL BE SETTLED THROUGH CONSULTATION. IN CASE NO SETTLEMENT IS REACHED, THE DISPUTE SHALL BE SUBMITTED TO SOUTH AFRICA INTERNATIONAL ECONOMIC AND TRADE ARBITRATION COMMISSION FOR ARBITRATION IN ACCORDANCE WITH ITS RULES IN EFFECT AT THE TIME OF APPLYING FOR ARBITRATION. THE ARBITRAL AWARD IS FINAL AND BINDING UPON BOTH PARTIES. FEES OF THE ARBITRATION PROCEEDINGS SHALL BE BORNE BY THE LOSING PARTY.

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| **Signed on this 19 November 2020**  **Signed at Johannesburg, South Africa**  **Name: ANDREAS**  **Who warrants his authority to sign for the Buyer.** |  | **Signed on this 19 November 2020**  **Signed at Johannesburg, South Africa**  **Name:**  **Who warrants his authority to sign for the Seller.** |

**NOTE: Abreviations**

**SPA: Sales Purchase Agreement**

**LME: London Metal Exchanges**

**FOB: Free On Board**

**SKR: Safe Keeping Reciept**