

## 1. Instructor's Detailed Instructions & Grading Rubric

**Course:** International Business Law **Instructor:** Assoc. Prof. Alessandro Stasi **Assessment Title:** International Sales Contract: Drafting & Problem Solving Application **Total Points:** 100 points **Assessment Type:** Practical Application, Problem-Solving, Critical Thinking, Legal Reasoning

**Overall Objectives:** This assessment aims to evaluate students' ability to:

- Identify essential elements and necessary clauses in an international sales contract.
- Draft clear, comprehensive, and legally sound contractual provisions.
- Apply principles of the Convention on Contracts for the International Sale of Goods (CISG) to real-world scenarios.
- Analyze contractual disputes based on drafted terms and relevant international law.
- Propose effective legal and business solutions to international business problems.

### Assessment Structure:

This assessment is divided into two phases over two days:

#### Phase 1: Day 1 - Contract Drafting (40 points)

- **Time Allotment:** Thursday all day.
- **Instructions:** Students will receive an "Offer Document" and instructions to draft a complete "International Sales Agreement" based on the offer, adding all necessary clauses they deem appropriate for an international transaction. They are free to consult their notes, lecture slides, and the provided course PDF.
- **Submission:** The drafted contract must be submitted by the end of the end of the assessment on Friday.

#### Phase 2: Day 2 - Scenario-Based Problem Solving (60 points)

- **Time Allotment:** 3 hours.
- **Instructions:** Students will receive specific scenarios related to a dispute that could arise from an international sales contract. They must analyze each scenario using the principles of the CISG (assuming it applies unless explicitly opted out in their contract) and refer to their own drafted contract where relevant.
- **Submission:** Answers to the scenario questions must be submitted at the end of the designated assessment period.

## 2. Student Instructions: Crafting Your International Sales Contract

**Your Mission:** To draft a complete and effective International Sales Agreement, applying what you've learned in class to a real-world scenario.

**The Scenario:** Imagine you are a legal expert working for Buyer Co., a company based in Rome, Italy. Buyer Co. wants to purchase sophisticated industrial robotic arms from Seller Inc., located in Delaware, USA.

Good news! Seller Inc. has sent Buyer Co. a formal offer (you'll find it attached), and Buyer Co. has formally accepted it. Now, it's your job to take that accepted offer and turn it into a comprehensive International Sales Agreement.

Why is this important? The attached offer is just a starting point. A robust international contract needs much more to protect both parties and prevent future problems. This is your chance to show you understand those complexities!

### **Your Task: Draft the International Sales Agreement**

Using the attached "Offer Document" as your foundation, and drawing heavily on your knowledge from our "International Business Law" course, draft a complete and professional International Sales Agreement.

### **Here's what you need to focus on:**

1. **Start with the Basics (Integrate the Offer):**
  - Carefully include *all* the details from Seller Inc.'s offer into your contract: what goods are being sold, the exact quantity, the price per unit and total, the payment terms, and the agreed delivery date and location. Make sure these are precise!
2. **Go Beyond the Basics (Add Essential Clauses):**
  - The attached offer is very minimal. An international contract needs many more provisions to cover potential risks and define responsibilities clearly. Think about all the crucial topics we've discussed in class – this is where you apply them!
  - **Your contract should include, but not be limited to, the following types of clauses:**
    - **Contract Overview:**
      - **Preamble / Recitals:** Briefly set the stage for the agreement (who the parties are, what they aim to do).
      - **Definitions:** If any key terms need precise meanings within your contract (e.g., "Goods," "Effective Date").
      - **Sale and Purchase:** A clear statement that the Seller sells and the Buyer buys the goods.
    - **Goods & Delivery:**
      - **Goods Description & Specifications:** Detail the products being sold (e.g., Model X-Series, 1.5m reach, etc.).

- **Price & Payment Terms:** Exactly how much, when, and how payment will be made.
- **Delivery Terms:** Precise details on where the goods will be delivered, the timeline, and any specific shipping responsibilities (you can incorporate **Incoterms** here if we've covered them, or just describe the process clearly).
- **Packing and Shipping:** How the goods must be prepared for safe international transport.
- **Inspection and Acceptance:** What Buyer Co. must do when goods arrive, how quickly, and what happens if there are issues.
- **Risk & Liability:**
  - **Warranties:** What guarantees Seller Inc. is providing about the quality, ownership, and functionality of the goods.
  - **Risk of Loss and Title:** Clearly state *when* the responsibility for damage/loss and ownership of the goods transfers from Seller Inc. to Buyer Co.
  - **Force Majeure / Excuses for Non-performance:** How your contract handles unforeseen, unavoidable events (like natural disasters, embargoes) that prevent a party from fulfilling their obligations.
  - **Remedies for Breach:** What happens if one party breaks the contract? Include provisions for things like the **Seller's right to cure** (fixing mistakes), the **Buyer's right to avoid** the contract (cancel it), **money damages** (compensation for losses), **specific performance** (forcing a party to complete their action), and **price reduction** for non-conforming goods.
- **General Legal & Operational Clauses:**
  - **Confidentiality:** If any sensitive information needs protection.
  - **Governing Law:** This is crucial! Explicitly state which country's law will govern your contract. Remember that both Italy and the USA are parties to the **CISG**. You should decide if the CISG will apply to your contract. **If you choose to *opt out* of the CISG, you MUST clearly state this in your contract and be prepared to justify why you made that choice.**
  - **Dispute Resolution:** How will any disagreements be resolved? Will you go to court (litigation), use a neutral third party (mediation), or a formal decision-making process (arbitration)? Specify the location for this.
  - **Entire Agreement Clause:** A standard clause stating that this contract is the final and complete agreement between the parties, overriding any prior discussions.
  - **Signatures:** Space for both parties to sign.

**Submission:** The drafted contract must be submitted by the end of the end of the assessment on Friday.

### 3. Offer Document (from Seller Inc. to Buyer Co.)

**Seller Inc.** 123 Global Street Wilmington, Delaware 19801, USA

**Date:** July 10, 2025

**To: Buyer Co.** Via del Commercio 45 00100 Rome, Italy

### **Subject: Offer for the Sale of Industrial Robotic Arms**

Dear Buyer Co.,

Seller Inc. is pleased to present this offer for the sale of industrial robotic arms, designed for precision manufacturing and assembly lines.

**1. Goods:** Five Hundred (500) Units of "Model X-Series Industrial Robotic Arms"

#### **2. Specifications:**

- **Arm Reach:** 1.5 meters
- **Payload Capacity:** 10 kg
- **Repeatability:** +/- 0.02 mm
- **Material:** High-grade aluminum and steel alloy
- **Software:** Pre-installed with proprietary "AutoBuild 5.0" operating system, including basic programming interface.

**3. Price:** USD 15,000 (Fifteen Thousand US Dollars) per unit. Total Price: USD 7,500,000 (Seven Million Five Hundred Thousand US Dollars) for 500 units.

#### **4. Delivery:**

- **Delivery Date:** On or before November 1, 2025.
- **Delivery Location:** Buyer Co.'s main warehouse in Rome, Italy. *(Note: Further details regarding shipping terms, insurance, and risk of loss are open for negotiation and will be specified in the final sales agreement.)*

**5. Payment Terms:** Fifty Percent (50%) of the total price (USD 3,750,000) payable as an advance payment within 15 days of contract signing. The remaining Fifty Percent (50%) (USD 3,750,000) due upon Buyer Co.'s confirmed receipt of goods at the delivery location.

**6. Offer Validity:** This offer is valid for acceptance until July 25, 2025, 5:00 PM (Eastern Standard Time, USA).

We look forward to the opportunity to establish a strong business relationship with Buyer Co.

Sincerely,



John Doe CEO, Seller Inc.