INCORTEMS AND SALES CONTRACT TEAM ASSIGNMENT

**CONTEXT:**

**ICOM** (International Commodity Corp is a Vietnamese trading and exporting company that has been delivering high-quality agricultural, wooden, processed food, and technical products to international markets since 2013. In 2024, ICOM is looking to expand its reach and establish new partnerships with buyers across the globe. Besides, The Company also launches its ambitious plan to import and distribute some essential products in local market. As part of import-export team, you will analyze the market, product, terms and conditions and then compose the sales contract.

**ASSIGNMENT 1-5:**

You are as the role of import/ export manager of iCOM, compose a complete contract between iCOM and buyers or sellers. Base on the contract terms; suggest your actions to control the risks.

The contract should accurately reflect the terms of the agreement, including the preamble, commodity, price, quality, quantity, delivery, payment terms, force majeure, arbitration, governing law. It should also include conditions that help ICOM control the risks associated with international trade, such as indemnification clauses, and dispute resolution mechanisms.

To score 100 points, the sales contract should be evaluated based on the following criteria:

Accurate evaluation of terms: The terms of the sales contract should be evaluated accurately, taking into account the current market conditions and the interests of both parties. **(20 points)**

Conditions that help ICOM control the risks: The sales contract should include conditions that help ICOM control the risks associated with international trade (students should recognise all the risks of international trade activities). **(20 points)**

Contract accuracy: The sales contract should accurately reflect the terms of the agreement, including the commodity, price, quality, delivery, and payment terms. **(20 points)**

Presentation and teamwork: The students work as a team and present their works collaboratively. The presentation should focus on the factors as mentioned in Context instead of all terms and conditions of the contract. **(40 points)**

Please note that every subject must not be chosen twice, so teams should make a draw randomly.

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| --- | --- | --- | --- | --- | --- | --- |
| **No** | **Product Category** | **Market** | **Payment Terms** | **Incoterms Conditions** | **Type** | **Team** |
| 1 | 50 containers of agricultural products (rice, corn, black pepper). Ship must be within 2 months. | China | TTR | CFR | Export | 6 |
| 2 | Tropical fruits (dragon fruit 70% and pineapple 30%) monthly volume 2 container/ month. | UAE | D/A | CIF | Export |  |
| 3 | Fresh and frozen meet (beef) to supply a luxury restaurant chain in Vietnam. | Australia | D/P | FOB | Import |  |
| 4 | Import high volume of lubricant (oils) from Singapore to distribute to Vietnam market. | Singapore | LC | CIP | Import |  |
| 5 | Wooden indoor decoration products, require design phase before mass production. | Belgium | TT for design  LC delay 30 days for | DDP | Export |  |

**ASSIGNMENT 6-10:**

As of 2025, iCOM is planning to develop its own products and export them to various international markets. In your role as the Import/Export Manager, you will need to conduct thorough research, analyze data, and propose a comprehensive plan that outlines the necessary actions, conditions, and terms to maximize benefits and mitigate risks.

Once approved, this plan will form the basis for further negotiations and agreements with customers. Your plan should include:

* Specific product types and samples
* Pricing details based on Ex-Works (ExW), Free on Board (FOB), and Cost, Insurance, and Freight (CIF)
* Target markets where the products are suitable
* Strategies for market entry
* Terms and conditions designed to minimize risks

To score 100 points, the proposal of planning should be evaluated based on the following criteria:

Accurate evaluation of planning **(20 points)**: The planning should include clear research of the market, risks and clear actions. Team should propose the terms of the sales agreement that balance the benefits as win – win between sellers & buyers.

Risk Anticipation Actions **(20 points)**: Different countries and products come with unique risks. Your proposal should offer specific actions to help iCOM avoid risks associated with international trade. Ensure you recognize and address all relevant international trade risks.

Balance of Benefits and Opportunities **(20 points)**: Your plan, including product details, pricing, and market strategy, should strike a balance between maximizing benefits for iCOM and creating opportunities for product sales. Remember, higher benefits for the seller may limit sales opportunities.

**Presentation and teamwork (40 points)**: Work collaboratively as a team to present your plan. Focus on the key factors outlined in the context rather than covering every detail of the proposal.

Please note that every subject must not be chosen twice, so teams should make a draw randomly.

|  |  |  |  |
| --- | --- | --- | --- |
| **No** | **Product Category** | **Serving market** | **TEAMS** |
| 6 | **Organic Ready-to-Eat Nuts:** Packaged in bags, cans, or boxes, these nuts are produced from 100% organic ingredients cultivated in Vietnam. | US, EU |  |
| 7 | **Wooden Cutting Boards:** A set of wooden cutting boards designed for family dinners and table service. These are suitable for both household use and restaurant settings. | Australia |  |
| 8 | **Canned/Boxed Natural Coconut Drinks**: Ready-to-drink coconut beverages, available in cans or boxes, that are convenient to carry and consume. | China |  |
| 9 | **Household and Family Care Products**: Includes affordable items such as hand wash liquid, kitchen cleaning liquid, and lubricants. | Africa |  |
| 10 | **Agarwood Extract and Pieces**: Agarwood extract (liquid) and agarwood pieces (sold by kilogram) for use in cosmetics and deodorization. | UAE |  |

**EXPECTED RESULTS AND TIMELINE:**

1. Presentation of the main factors: evaluate the terms, point out the risk and suggest the details of clause to control the risk for ICOM (this should be input in sales contract). All the files to submit to (….), not later than (….)
2. Full sales contract include all terms and conditions submit to ( …) not later than (….)

**MARKING GUIDELINE:**

Content: In accordance with what you have learned in the course In accordance with trade practices and customs (if any) Contract template and format: Well-designed and professional.

Reference page (Harvard/APA styles applicable, 5 references are required in text and list) (This is applicable to Explanatory Note) Contract language or planning must be clear, concise, and direct; Grammar/ Verb/ Vocabulary – No typos Be sure to include the Title Page (Each group member with full name, class and student number are required) Completed scripts must be submitted via MS Teams Assignment (File Name: Class – Chosen Topic).