

# **FAKE SAMPLE — NOT A REAL CONTRACT FOR TRAINING / DEMONSTRATION PURPOSES ONLY**

This document contains entirely fictional parties, products, data, and terms.

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Buyer shown in this sample: Virtual Customer O

Sample product: Virtual API Gamma

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# FICTIONAL SALES CONTRACT (SAMPLE)

## Contract No. XEL-FAKE-2025-020

### SALES CONTRACT (FICTIONAL)

Contract No.: XEL-FAKE-2025-020

Effective Date: 15 January 2025

Expiration Date: 14 January 2027

### PARTIES

Seller (Fictional Scenario): Xellia Pharmaceuticals A/S (Fictional Scenario), Reg. No. DK-55443322, having its registered office at Dalslandsgade 11, 2300 Copenhagen, Denmark.

Buyer: Virtual Customer O.

Seller and Buyer are each a "Party" and together the "Parties".

### 1. DEFINITIONS

"Products" means Virtual API Gamma — Active Pharmaceutical Ingredient (API) — bulk material for downstream formulation. (Bulk powder (non-sterile)). "Business Day" means any day other than Saturday, Sunday or public holiday in the place of delivery. "Incoterms" means Incoterms® 2020. Other capitalized terms have the meanings ascribed in this Contract.

### 2. SCOPE; TERM

2.1 Seller shall supply and Buyer shall purchase the Products in accordance with this Contract and the Schedule A (Products & Pricing), Schedule B (KPIs/SLAs), Schedule C (Change Control).

2.2 Term: from the Effective Date until the Expiration Date unless terminated earlier as set forth herein. Term may be extended by mutual written agreement at least 60 days prior to expiration.

### 3. PRODUCTS, SPECIFICATION & QUALITY

3.1 Specification: Virtual API Gamma as per internal Master Specification (fictional).

3.2 Compliance: Manufactured under fictional quality management controls for training use only. Distribution in compliance with simulated GDP standards. Storage: Store in cool, dry place; protect from light.

3.3 Quality Agreement: The Parties will operate under Quality Agreement reference QA-FAKE-2020, incorporated by reference and prevailing on quality matters.

3.4 Audits: Buyer may perform a quality audit on 30 days' notice, not more than once per year, except for cause audits.

### 4. FORECASTS & ORDERS

4.1 Forecast: Rolling 12-month non-binding forecast updated monthly.

4.2 Purchase Orders: Buyer shall submit POs via orders+20@example.fake. Seller will acknowledge within 2 Business Days.

4.3 Minimums: MOQ 10,000 units per line item.

4.4 Lead Time: Standard lead time 6–10 weeks from PO for routine batches; expedited orders subject to capacity and surcharge.

## **5. QUANTITIES & PRICING**

5.1 Initial quantity commitment: 250,000 units.

5.2 Pricing: Unit price: EUR 2.51 per tablet. Tiered pricing with 3% rebate if annual volume exceeds 120% of forecast. Prices exclude VAT unless stated otherwise. Taxes, duties and customs are handled per Incoterms delivery condition.

5.3 Taxes: Each Party responsible for its own taxes consistent with Section 5.2 and delivery term.

5.4 Price Review: Annual review each November for the following calendar year.

## **6. DELIVERY; TITLE & RISK**

6.1 Delivery term: DDP Buyer Warehouse (Incoterms® 2020). Target delivery window 10–15 Business Days from dispatch confirmation.

6.2 Title & Risk: Transfer per the Incoterm; if not defined, title upon full payment and risk on delivery.

6.3 Packaging & Labeling: Tamper-evident seals; palletization per EU Pallet standard (simulated).

## **7. ACCEPTANCE; NON-CONFORMITY**

7.1 Acceptance: Acceptance based on Certificate of Analysis (CoA) and visual inspection; non-conformities handled via NCR within 5 business days.

7.2 Non-Conformity: Buyer shall notify Seller in writing with supporting evidence. Parties will cooperate under the quality investigation process. Credits or replacements at Seller's discretion for validated claims.

## **8. RECALLS & SAFETY NOTICES**

8.1 If a recall or field safety corrective action is required, Parties will coordinate per Quality Agreement QA-FAKE-2020. Costs allocated according to root cause findings.

## **9. WARRANTIES**

9.1 This is a fictional document with no legal effect. In a real contract, Seller would warrant Products conform to Specification on release and are free from material defects for a defined period.

9.2 EXCEPT AS EXPRESSLY PROVIDED IN A REAL CONTRACT, NO WARRANTIES ARE MADE HERE. THIS IS A SAMPLE ONLY.

## **10. INDEMNITY & LIABILITY**

10.1 Each Party shall, in a real scenario, indemnify the other against third-party claims arising from breach, negligence or willful misconduct.

10.2 Liability Cap (Sample): Aggregate liability would not exceed 120% of amounts paid in the prior 12 months. No indirect or consequential damages.

## **11. INTELLECTUAL PROPERTY**

11.1 No license is granted under Seller IP except to use and resell the Products (sample clause). Buyer shall not reverse engineer.

## **12. CONFIDENTIALITY & DATA PROTECTION**

12.1 Confidentiality: All non-public information exchanged is Confidential for 5 years after disclosure

(sample).

12.2 Data Protection: If personal data is processed, a Data Processing Addendum reference DPA-FAKE-1520 would apply (sample).

### 13. COMPLIANCE

13.1 Anti-Bribery: Parties comply with anti-bribery and corruption laws; internal policy reference ABC-FAKE-920 (sample).

13.2 Trade Compliance: Parties comply with applicable export control, sanctions and customs rules. Buyer shall not divert Products to embargoed jurisdictions (sample).

### 14. FORCE MAJEURE

14.1 Neither Party is liable for failure to perform due to Force Majeure events; affected Party will notify and mitigate (sample).

### 15. TERMINATION

15.1 For Cause: Termination for material breach not cured within 30 days of notice (sample).

15.2 Insolvency: Immediate termination on written notice if the other Party becomes insolvent (sample).

15.3 Convenience: Buyer may terminate with 90 days' notice; liabilities for firm orders and WIP (sample).

### 16. GOVERNING LAW & DISPUTE RESOLUTION

Governing law: Italy. Venue: Milan courts; Italian law. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

### 17. NOTICES

17.1 Notices shall be in writing and delivered by courier or email with acknowledgment to the addresses in the preamble (legal@example.fake; contracts@buyer.fake).

### 18. MISCELLANEOUS

18.1 Assignment: No assignment without consent, except to affiliates (sample).

18.2 Subcontracting: Seller may subcontract manufacturing steps subject to Quality Agreement obligations (sample).

18.3 Insurance: Each Party maintains product liability insurance appropriate for its activities (sample).

18.4 Entire Agreement: This Contract (including Schedules) constitutes the entire agreement and supersedes prior discussions. Amendments must be in writing (sample).

18.5 Counterparts; E-Signatures: This Contract may be executed in counterparts and by electronic signatures (sample).

### SIGNATURES (SAMPLE)

For Seller: \_\_\_\_\_ Name/Title: \_\_\_\_\_ Date: \_\_\_\_\_

For Buyer: \_\_\_\_\_ Name/Title: \_\_\_\_\_ Date: \_\_\_\_\_

### Schedule A – Products & Pricing (Sample)

- Product: Virtual API Gamma
- QA Release Lead Time: 10–14 days after manufacturing completion (sample)
- Shelf Life on Delivery:  $\geq 80\%$  of labeled shelf life (sample)
- Delivery Term: DDP Buyer Warehouse (Incoterms® 2020)
- Payment Terms: Milestone: 50% on PO, 50% after QA release
- Pricing: Unit price: EUR 2.51 per tablet. Tiered pricing with 3% rebate if annual volume exceeds 120% of forecast. Prices exclude VAT unless stated otherwise. Taxes, duties and customs are handled per Incoterms delivery condition.
- Safety Stock: 1 month of average demand held by Seller (sample)

#### **Schedule B – KPIs/SLAs (Sample)**

- OTIF (On-Time In-Full):  $\geq 95\%$  per quarter
- Batch Failure Rate:  $< 1\%$
- CAPA Closure Timeliness:  $\geq 90\%$  within agreed due dates
- Response Time to Queries:  $\leq 2$  Business Days

#### **Schedule C – Change Control (Sample)**

- Changes requiring prior approval: site changes, primary packaging changes, specification changes, shelf-life changes (sample).
- Notification lead time: 90 days (major), 30 days (minor) (sample).