

# **Convention relating to a Uniform Law on the Formation of Contracts for the International Sale of Goods**

**(The Hague, 1 July 1964)**

The States signatory to the present Convention,

Desiring to establish a uniform law on the formation of contracts for the international sale of goods,

Have resolved to conclude a convention to this effect and have agreed upon the following provisions:

## *Article I*

1. Each Contracting State undertakes to incorporate into its own legislation, in accordance with its constitutional procedure, not later than the date of the entry into force of the present Convention in respect of that State, the Uniform Law on the Formation of Contracts for the International Sale of Goods (hereinafter referred to as "the Uniform Law") forming Annex I to the present Convention.
2. Each Contracting State may incorporate the Uniform Law into its own legislation either in one of the authentic texts or in a translation into its own language or languages.
3. Each Contracting State which is also a Contracting State to the Convention dated the 1st day of July 1964 relating to a Uniform Law on the International Sale of Goods shall incorporate into its legislation the Articles set forth in Annex II to the present Convention in place of Articles 1 and 4 as set forth in Annex I to the present Convention.
4. Each Contracting State shall communicate to the Government of the Netherlands the texts which it has incorporated into its legislation to give effect to the present Convention.

## *Article II*

1. Two or more Contracting States may declare that they agree not to consider themselves as different States for the purpose of the requirements as to place of business or habitual residence laid down in paragraphs 1 and 2 of Article I of the Uniform Law, because they apply to the formation of contracts of sale which in the absence of such a declaration would be governed by the Uniform Law the same or closely related legal rules.
2. Any Contracting State may declare that it does not consider one or more non-Contracting States as different States from itself for the purpose of the requirements of the Uniform Law which are referred to in paragraph 1 of this Article, because such States apply to the formation of contracts of sale which in the absence of such a declaration would be governed by the Uniform Law legal rules which are the same as or closely related to its own.
3. If a State which is the object of a declaration made under paragraph 2 of this Article subsequently ratifies or accedes to the present Convention, the declaration shall remain in effect unless the ratifying or acceding State declares that it cannot accept it.
4. Declarations under paragraphs 1, 2 or 3 of this Article may be made by the State concerned at the time of the deposit of its instrument of ratification of or accession to the present Convention or at any time thereafter and shall be addressed to the Government of the Netherlands. The declaration shall take effect three months after the date of its receipt by the Government of the Netherlands or, if at the end of this period the present Convention has not yet entered into force in respect of the State concerned, at the date of such entry into force.

### *Article III*

By way of derogation from Article 1 of the Uniform Law, any State may, at the time of the deposit of its instrument of ratification or accession to the present Convention, declare by a notification addressed to the Government of the Netherlands that it will apply the Uniform Law only if each of the parties to the contract of sale has his place of business or, if he has no place of business, his habitual residence in the territory of a different Contracting State, and in consequence may insert the word "Contracting" before the word "States" where the latter word first occurs in paragraph 1 of Article 1 of the Uniform Law.

### *Article IV*

1. Any State which has previously ratified or acceded to one or more Conventions on conflict of laws in respect of the formation of contracts for the international sale of goods may, at the time of the deposit of its instrument of ratification or accession to the present Convention, declare by a notification addressed to the Government of the Netherlands that it will apply the Uniform Law in cases governed by one of those previous Conventions only if that Convention itself requires the application of the Uniform Law.
2. Any State which makes a declaration under paragraph 1 of this Article, shall inform the Government of the Netherlands of the Convention or the Conventions referred to in that declaration.

### *Article V*

Any State which has made a declaration under paragraphs 1 or 2 of Article II, Article III, or Article IV of the present Convention may withdraw it at any time by a notification addressed to the Government of the Netherlands. Such withdrawal shall take effect three months after the date of the receipt of the notification by the Government of the Netherlands and, in the case of a declaration made under paragraph 1 of Article II, shall also render inoperative, as from the date when the withdrawal takes effect any reciprocal declaration made by another State.

### *Article VI*

1. The present Convention shall remain open for signature until the 31st day of December 1965 by the States represented at the Hague Conference of 1964 on the Unification of Law governing the International Sale of Goods.
2. The present Convention shall be ratified.
3. The instruments of ratification shall be deposited with the Government of the Netherlands.

### *Article VII*

1. The present Convention shall be open to accession by all States members of the United Nations or any of its Specialized Agencies.
2. The instruments of accession shall be deposited with the government of the Netherlands.

### *Article VIII*

1. The present Convention shall come into force six months after the date of the deposit of the fifth instrument of ratification or accession.
2. In respect of a State that ratifies or accedes to the present Convention after the deposit of the fifth instrument of ratification or accession, the Convention shall come into force six months after the date of the deposit of its instrument of ratification or accession.

### *Article IX*

Each Contracting State shall apply the provisions incorporated into its legislation in pursuance of the present Convention to offers, replies and acceptances to which the Uniform Law applies and which are made on or after the date of the entry into force of the Convention in respect of that State.

### *Article X*

1. Any Contracting State may denounce the present Convention by notifying the Government of the Netherlands to that effect.
2. The denunciation shall take effect twelve months after receipt of the notification by the Government of the Netherlands.

### *Article XI*

1. Any State may, at the time of the deposit of its instrument of ratification or accession or at any time thereafter, declare, by means of a notification addressed to the Government of the Netherlands, that the present Convention shall be applicable to all or any of the territories for whose international relations it is responsible. Such a declaration shall take effect six months after the date of receipt of the notification by the Government of the Netherlands, or, if at the end of that period the Convention has not yet come into force, from the date of its entry into force.
2. Any Contracting State which has made a declaration pursuant to paragraph 1 of this Article may, in accordance with Article X, denounce the Convention in respect of all or any of the territories concerned.

### *Article XII*

1. After the present Convention has been in force for three years, any Contracting State may, by a notification addressed to the Government of the Netherlands, request the convening of a conference for the purpose of revising the Convention or its Annexes. Notice of this request shall be given to all Contracting States by the Government of the Netherlands which shall convene a conference for the purpose of such revision if, within a period of six months from the date of such notice, at least one quarter of the Contracting States notify the said Government of their agreement with the request.
2. States invited to the conference, other than Contracting States, shall have the status of observers unless the Contracting States at the conference decide otherwise by a majority vote. Observers shall have all rights of participation except that of voting.
3. The Government of the Netherlands shall request all States invited to the conference to submit such proposals as they may wish the conference to examine. The Government of the Netherlands shall notify all States invited of the provisional agenda for the conference and of the texts of all the proposals which have been submitted.
4. The Government of the Netherlands shall communicate to the International Institute for the Unification of Private Law the proposals concerning revision submitted to it in accordance with paragraph 3 of this Article.

### *Article XIII*

The Government of the Netherlands shall notify the Signatory and Acceding States and the International Institute for the Unification of Private Law of:

- (a) the communications received in accordance with paragraph 4 of Article I;
- (b) the declarations and notifications made in accordance with Articles II, III IV and V;
- (c) the ratifications and accessions deposited in accordance with Articles VI and VII;
- (d) the dates on which this Convention will come into force in accordance with Article VIII;
- (e) the denunciations received in accordance with Article X;
- (f) the notifications received in accordance with Article XI.

In WITNESS WHEREOF the undersigned, duly authorized, have signed the present Convention.

DONE at THE HAGUE, this first day of July one thousand nine hundred and sixty-four, in the French and English languages, both texts being equally authentic.

The original of the present Convention shall be deposited with the Government of the Netherlands, which shall furnish certified copies to each of the Signatory and Acceding States and to the International Institute for the Unification of Private Law.

## ANNEX I

### **Uniform Law on the Formation of Contracts for the International Sale of Goods**

#### *Article 1*

1. The present Law shall apply to the formation of contracts of sale of goods entered into by parties whose places of business are in the territories of different States, in each of the following cases:
  - (a) where the offer or the reply relates to goods which are in the course of carriage or will be carried from the territory of one State to the territory of another;
  - (b) where the acts constituting the offer and the acceptance are effected in the territories of different States;
  - (c) where delivery of the goods is to be made in the territory of a State other than that within whose territory the acts constituting the offer and the acceptance are effected.
2. Where a party does not have a place of business, reference shall be made to his habitual residence.
3. The application of the present Law shall not depend on the nationality of the parties.
4. Offer and acceptance shall be considered to be effected in the territory of the same State only if the letters, telegrams or other documentary communications which contain them are sent and received in the territory of that State.
5. For the purpose of determining whether the parties have their places of business or habitual residences in "different States", any two or more States shall not be considered to be "different States" if a valid declaration to that effect made under Article II of the Convention dated the 1st day of July 1964 relating to a Uniform Law on the Formation of Contracts for the International Sale of Goods is in force in respect of them.
6. The present Law shall not apply to the formation of contracts of sale:
  - (a) of stocks, shares, investment securities, negotiable instruments or money;
  - (b) of any ship, vessel or aircraft, which is or will be subject to registration;
  - (c) of electricity;
  - (d) by authority of law or on execution or distress.
7. Contracts for the supply of goods to be manufactured or produced shall be considered to be sales within the meaning of the present Law, unless the party who orders the goods undertakes to supply an essential and substantial part of the materials necessary for such manufacture or production.
8. The present Law shall apply regardless of the commercial or civil character of the parties or of the contracts to be concluded.
9. Rules of private international law shall be excluded for the purpose of the application of the present Law, subject to any provision to the contrary in the said Law.

#### *Article 2*

1. The provisions of the following Articles shall apply except to the extent that it appears from the preliminary negotiations, the offer, the reply, the practices which the parties have established between themselves or usage, that other rules apply.
2. However, a term of the offer stipulating that silence shall amount to acceptance is invalid.

### *Article 3*

An offer or an acceptance need not be evidenced by writing and shall not be subject to any other requirement as to form. In particular, they may be proved by means of witnesses.

### *Article 4*

1. The communication which one person addresses to one or more specific persons with the object of concluding a contract of sale shall not constitute an offer unless it is sufficiently definite to permit the conclusion of the contract by acceptance and indicates the intention of the offeror to be bound.
2. This communication may be interpreted by reference to and supplemented by the preliminary negotiations, any practices which the parties have established between themselves, usage and any applicable legal rules for contracts of sale.

### *Article 5*

1. The offer shall not bind the offeror until it has been communicated to the offeree; it shall lapse if its withdrawal is communicated to the offeree before or at the same time as the offer.
2. After an offer has been communicated to the offeree it can be revoked unless the revocation is not made in good faith or in conformity with fair dealing or unless the offer states a fixed time for acceptance or otherwise indicates that it is firm or irrevocable.
3. An indication that the offer is firm or irrevocable may be express or implied from the circumstances, the preliminary negotiations, any practices which the parties have established between themselves or usage.
4. A revocation of an offer shall only have effect if it has been communicated to the offeree before he has despatched his acceptance or has done any act treated as acceptance under paragraph 2 of Article 6.

### *Article 6*

1. Acceptance of an offer consists of a declaration communicated by any means whatsoever to the offeror.
2. Acceptance may also consist of the despatch of the goods or of the price or of any other act which may be considered to be equivalent to the declaration referred to in paragraph 1 of this Article either by virtue of the offer or as a result of practices which the parties have established between themselves or usage.

### *Article 7*

1. An acceptance containing additions, limitations or other modifications shall be a rejection of the offer and shall constitute a counter-offer.
2. However, a reply to an offer which purports to be an acceptance but which contains additional or different terms which do not materially alter the terms of the offer shall constitute an acceptance unless the offeror promptly objects to the discrepancy; if he does not so object, the terms of the contract shall be the terms of the offer with the modifications contained in the acceptance.

### *Article 8*

1. A declaration of acceptance of an offer shall have effect only if it is communicated to the offeror within the time he has fixed or, if no such time is fixed, within a reasonable time, due account being taken of the circumstances of the transaction, including the rapidity of the means of communication employed by the offeror, and usage. In the case of an oral offer, the acceptance shall be immediate, if the circumstances do not show that the offeree shall have time for reflection.

2. If a time for acceptance is fixed by an offeror in a letter or in telegram, it shall be presumed to begin to run from the day the letter was dated or the hour of the day the telegram was handed in for despatch.

3. If an acceptance consists of an act referred to in paragraph 2 of Article 6, the act shall have effect only if it is done within the period laid down in paragraph 1 of the present Article.

#### *Article 9*

1. If the acceptance is late, the offeror may nevertheless consider it to have arrived in due time on condition that he promptly so informs the acceptor orally or by despatch of a notice.

2. If, however, the acceptance is communicated late, it shall be considered to have been communicated in due time, if the letter or document which contains the acceptance shows that it has been sent in such circumstances that if its transmission had been normal it would have been communicated in due time, this provision shall not however apply if the offeror has promptly informed the acceptor orally or by despatch of a notice that he considers his offer as having lapsed.

#### *Article 10*

An acceptance cannot be revoked except by a revocation which is communicated to the offeror before or at the same time as the acceptance.

#### *Article 11*

The formation of the contract is not affected by the death of one of the parties or by his becoming incapable of contracting before acceptance unless the contrary results from the intention of the parties, usage or the nature of the transaction.

#### *Article 12*

1. For the purposes of the present Law, the expression "to be communicated" means to be delivered at the address of the person to whom the communication is directed.

2. Communications provided for by the present Law shall be made by the means usual in the circumstances.

#### *Article 13*

1. Usage means any practice or method of dealing, which reasonable persons in the same situation as the parties usually consider to be applicable to the formation of their contract.

2. Where expressions, provisions or forms of contract commonly used in commercial practice are employed, they shall be interpreted according to the meaning usually given to them in the trade concerned.

## **ANNEX II**

### *Article 1*

The present Law shall apply to the formation of contracts of sale of goods which, if they were concluded, would be governed by the Uniform Law on the International Sale of Goods.

### *Article 4*

1. The communication which one person addresses to one or more specific persons with the object of concluding a contract of sale shall not constitute an offer unless it is sufficiently definite to permit the conclusion of the contract by acceptance and indicates the intention of the offeror to be bound.
2. This communication may be interpreted by reference to and supplemented by the preliminary negotiations, any practices which the parties have established between themselves, usage and the provisions of the Uniform Law on the International Sale of Goods.