

**Contractual agreements prohibiting re-export to Russia  
(Article 12 g of Council Regulation (EU) No 833/2014)**

- (1) The Buyer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014.
- (2) The Buyer shall undertake its best efforts to ensure that the purpose of paragraph (1) is not frustrated by any third parties further down the commercial chain, including by possible resellers.
- (3) The Buyer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph (1).
- (4) Any violation of paragraphs (1), (2) or (3) shall constitute a material breach of an essential element of this Agreement, and the seller shall be entitled to seek appropriate remedies, including, but not limited to:
  - (i) termination of this Agreement; and
  - (ii) a penalty of 100% of the total value of this Agreement or price of the goods exported, whichever is higher.
- (5) The Buyer shall immediately inform the Seller about any problems in applying paragraphs (1), (2) or (3), including any relevant activities by third parties that could frustrate the purpose of paragraph (1). The Buyer shall make available to the Seller information concerning compliance with the obligations under paragraph (1), (2) and (3) within two weeks of the simple request of such information.”

For the sake of good order, we would like to point out that there is a legal obligation to report breaches of these contractual obligations in connection with re-export to Russia to the competent authorities (in Germany, the Federal Office for Economic Affairs and Export Control – BAFA). Member States shall inform each other and the European Commission of an established breach of a contractual obligation entered into in accordance with paragraph 1 or of a finding of circumvention of such an obligation.