

Novation Agreement on Assignment of Sales Contract

Novation agreement made on the _____ (date), between
 _____ (Name of Assignor) of _____
 _____ (street address, city, state, zip code),
 referred to herein as Assignor, _____ (Name of Assignee), of

 (street address, city, state, zip code), referred to herein as Assignee, and
 _____ (Name of Obligor) of _____
 _____ (street address, city, state, zip code), referred
 to herein as Obligor.

1. Underlying Sales Agreement

Assignor and Obligor entered into a Sales Agreement on _____ (date) providing for the sale of _____ (quantity or units) of _____ (type of goods) for \$ _____.

2. Delegation of Performance

Assignor delegates to Assignee the performance of the obligations of Assignor under the Sales Agreement.

3. Payment for Performance

Payment for performance of the obligations of Assignor under the Sales Agreement shall be made by Obligor directly to Assignee commencing on _____ **(date)**.

4. Agreement to Perform Obligations

Assignee shall perform all obligations imposed on Assignor by the Sales Agreement.

5. Release of Assignor from Liabilities

In consideration of the above undertakings, Obligor releases Assignor from all obligations under the Sales Agreement. This Agreement shall confer rights and impose liabilities only on Obligor and Assignee, and Assignor is released from any liability for the performance or nonperformance of the Sales Agreement.

WITNESS our signatures as of the day and date first above stated.

(Printed Name)

(Signature of Assignor)

(Printed Name)

(Signature of Assignee)

(Printed Name)

(Signature of Obligor)