



Contract No.19

Copyright
THE GRAIN AND FEED TRADE ASSOCIATION
GOODS FROM
CONTRACT FOR AUSTRALIA
CARGOES OR PART CARGOES
IN BULK
TALE QUALE – CIF/CIFFO/C&F/C&FFO TERMS

**delete/specify as applicable.*

Date.....

1 **SELLERS**

2
3 **INTERVENING AS BROKERS**

4
5 **BUYERS**

6 have this day entered into a contract on the following terms and conditions.

7
8 **1. GOODS**

9
10 **2. QUANTITY** 5% more or less in
11 Sellers' option at contract price. In the event of more than one shipment being made each shipment to be considered
12 a separate contract, but the tolerance on the mean quantity sold not to be affected thereby.

13
14 **3. PRICE AND DESTINATION**
15 At the price per tonne of 1,000 kilograms gross weight of

16
17 *cost, insurance and freight.....

18
19 *cost, insurance and freight free out to

20
21 *cost and freight to.....

22
23 * cost and freight free out, to

24
25 **4. BROKERAGE** per tonne, to be paid by Sellers on the mean contract quantity,
26 goods lost or not lost, contract fulfilled or not fulfilled unless such non-fulfilment is due to the cancellation of the
27 contract under the terms of the Prevention of Shipment Clause. Brokerage shall be due on the day shipping
28 documents are exchanged or, if the goods are not appropriated then brokerage shall be due on the 30th
29 consecutive day after the last day for appropriation. Any disputes arising out of this clause shall be referred to
30 arbitration in accordance with the arbitration clause.

31
32 **5. QUALITY**
33 ***Warranted to contain**

34 at time and place of discharge.
35 Difference in quality shall not entitle Buyers to reject except under the award of arbitrator(s) or board of appeal, as
36 the case may be, referred to in the Arbitration Rules specified in the Arbitration Clause.

37
38 ***Official** certificate of inspection, or certification of inspection of issued at time and place
39 of loading into the ocean carrying vessel, shall be final as to quality. The Buyers shall not be entitled to reject a tender
40 of a higher grade of grain of the same colour and description.

41
42 ***Sample**, at time and place of shipment about as per sealed sample marked in possession of
43 ;
44 the word "about" when referring to quality shall mean the equivalent of 0.50% on contract price.

45
46 **Condition.** Shipment shall be made in good condition.

- 47 **6. PERIOD OF SHIPMENT**
48 As per bill(s) of lading dated or to be dated
49
50 The bill(s) of lading to be dated when the goods are actually on board. Date of the bill(s) of lading shall be accepted
51 as proof of date of shipment in the absence of evidence to the contrary. In any month containing an odd number of
52 days, the middle day shall be accepted as being in both halves of the month.
53
- 54 **7. PORT OF SHIPMENT.** From a port or ports in Australia.
55
- 56 **8. SALES BY NAMED VESSELS**
57 For all sales by named vessels, the following shall apply: -
58 (a) Position of vessel is mutually agreed between Buyers and Sellers;
59 (b) The word "now" to be inserted before the word "classed" in the Shipment and Classification Clause;
60 (c) Appropriation Clause cancelled if sold "shipped".
61
- 62 **9. SHIPMENT AND CLASSIFICATION**
63
64 Direct or indirect, by first class mechanically self-propelled vessel(s) suitable for the carriage of the contract goods,
65 classed in accordance with the Institute Classification Clause of the International Underwriting Association in force
66 at the time of shipment, excluding tankers and vessels which are either classified in Lloyd's Register or described
67 in Lloyd's Shipping Index as "Ore/Oil" vessels.
68
- 69 **10. NOMINATION OF VESSEL(S) FOR CONTRACTS CONCLUDED ON C & F/C&FFO TERMS**
70 (a) At a date agreed between the Parties but in any event prior to the commencement of loading, Sellers shall
71 nominate the intended carrying vessel(s) to Buyers. The vessel(s) nominated shall comply with the terms of the
72 Institute Classification Clause and any other requirements as set out in the contract.
73 (b) Sellers are entitled to substitute the nomination(s) provided that the substituting vessel(s) complies with the
74 terms of this clause.
75
- 76 **11. EXTENSION OF SHIPMENT**
77 The contract period for shipment, if such be 31 days or less, shall be extended by an additional period of not more
78 than 8 days, provided that Sellers serve notice claiming extension not later than the next business day following the
79 last day of the originally stipulated period. The notice need not state the number of additional days claimed.
80 Sellers shall make an allowance to Buyers, to be deducted in the invoice from the contract price, based on the
81 number of days by which the originally stipulated period is exceeded, in accordance with the following scale:-
82 1 to 4 additional days, 0.50%;
83 5 or 6 additional days, 1%;
84 7 or 8 additional days 1.50% of the gross contract price.
85 If, however, after having served notice to Buyers as above, Sellers fail to make shipment within such 8 days, then
86 the contract shall be deemed to have called for shipment during the originally stipulated period plus 8 days, at
87 contract price less 1.50%, and any settlement for default shall be calculated on that basis. If any allowance becomes
88 due under this clause, the contract price shall be deemed to be the original contract price less the allowance and
89 any other contractual differences shall be settled on the basis of such reduced price.
90
- 91 **12. APPROPRIATION**
92 (a) Notice of appropriation shall state the vessel's name, the presumed weight shipped, and the date or the
93 presumed date of the bill of lading.
94 (b) The notice of appropriation shall within 5 business-days from the date of the bill(s) of lading be served by or
95 on behalf of the Shipper direct on his Buyers or on the Selling Agent or Brokers named in the contract.
96 (c) Notice of appropriation shall, within the period stated in sub-clause (b) be served by or on behalf of
97 subsequent Sellers on their Buyers or on the Selling Agent or Brokers named in the contract, but if notice of
98 appropriation is received by subsequent Sellers on the last day or after the period stated in sub-clause (b) from
99 the date of the bill of lading, their notice of appropriation shall be deemed to be in time if served: -
100 (1) On the same calendar day, if received not later than 1600 hours on any business day, or
101 (2) Not later than 1600 hours on the next business day, if received after 1600 hours or on a non-business day.
102 (d) A notice of appropriation served on a Selling Agent or Brokers named in the contract shall be considered an
103 appropriation served on Buyers. A Selling Agent or Brokers receiving a notice of appropriation shall serve like
104 notice of appropriation in accordance with the provisions of this clause. Where the Shipper or subsequent Sellers
105 serves the notice of appropriation on the Selling Agent, such Selling Agent may serve notice of appropriation
106 either direct to the Buyers or to the Brokers.
107 (e) The bill of lading date stated in the notice of appropriation shall be for information only and shall not be

108 binding, but in fixing the period laid down by this clause for serving notices of appropriation the actual date of
109 the bill of lading shall prevail.
110 (f) Every notice of appropriation shall be open to correction of any errors occurring in transmission, provided that
111 the sender is not responsible for such errors, and for any previous error in transmission which has been repeated
112 in good faith.
113 (g) Should the vessel arrive before receipt of the appropriation and any extra expenses is incurred thereby, such
114 expenses shall be borne by Sellers.
115 (h) When a valid notice of appropriation has been received by Buyers, it shall not be withdrawn except with their
116 consent.
117 (i) In the event of less than 95 tonnes being tendered by any one vessel Buyers shall be entitled to refund of any
118 proved extra expenses for sampling, analysis and lighterage incurred thereby at port of discharge.
119

120 13. PAYMENT

121 (a) **Payment**..... % of invoice amount by cash in
122 in exchange for and on presentation of shipping documents.
123 (b) **Shipping documents** – shall consist of - 1. Invoice. 2. Full set(s) of on board Bill(s) of Lading and/or Ship's
124 Delivery Order(s) and/or other Delivery Order(s) in negotiable and transferable form. Such other Delivery
125 Order(s) if required by Buyers, to be countersigned by the Shipowners, their Agents or a recognised bank. 3. For
126 CIF /CIFFO terms Policy (ies) and/or Insurance Certificate(s) and/or Letter(s) of Insurance in the currency of the
127 contract. The Letter(s) of Insurance to be certified by a recognised bank if required by Buyers. 4. Other documents
128 as called for under the contract. Buyers agree to accept documents containing the Chamber of Shipping War
129 Deviation Clause and/or other recognised official War Risk Clause.
130 (c) In the event of a complete set of shipping documents not being available when called for by Buyers, or on arrival
131 of the vessel at destination, Sellers may at their option, in exchange for payment by Buyers, provide a letter of
132 indemnity entitling Buyers to obtain delivery of the goods. Such payment shall not prejudice Buyers' rights under the
133 contract when shipping documents are available.
134 (d) Costs of collection shall be for account of Sellers, but if Buyers demand presentation only through a bank of their
135 choice, in that event any additional collection costs shall be borne by Buyers.
136 (e) No obvious clerical error in the documents shall entitle Buyers to reject them or delay payment, but Sellers shall
137 be responsible for all loss or expense caused to Buyers by reason of such error and Sellers shall on request furnish
138 an approved guarantee in respect thereto.
139 (f) **Interest**. If there has been unreasonable delay in any payment, interest appropriate to the currency involved shall
140 be charged. If such charge is not mutually agreed, a dispute shall be deemed to exist which shall be settled by
141 arbitration. Otherwise interest shall be payable only where specifically provided in the terms of the contract or by
142 an award of arbitration. The terms of this clause do not override the parties' contractual obligation under sub-clause
143 (a).
144

145 14. INSURANCE

146 **14.1 For Contracts Concluded on CIF/CIFFO Terms** Sellers shall provide insurance on terms not less favourable
147 than those set out hereunder, and as set out in detail in Gafta Insurance Terms No.72 viz:-

148 (a) Risks Covered: -
149 Cargo Clauses (WA), with average payable, with 3% franchise or better terms - Section 2 of Form 72
150 War Clauses (Cargo) - Section 4 of Form 72
151 Strikes, Riots and Civil Commotions Clauses (Cargo) - Section 5 of Form 72
152 Australian, Canadian, South African and United States of America Acts - Section 6 of Form 72
153 (b) Insurers - The insurance to be effected with first class underwriters and/or companies who are domiciled or
154 carrying on business in the United Kingdom or who, for the purpose of any legal proceedings, accept a British domicile
155 and provide an address for service of process in London, but for whose solvency Sellers shall not be responsible.
156 (c) Insurable Value - Insured amount to be for not less than 2% over the invoice amount, including freight when
157 freight is payable on shipment or due in any event, ship and/or cargo lost or not lost, and including the amount of
158 any War Risk premium payable by Buyers.
159 (d) Freight Contingency - When freight is payable on arrival or on right and true delivery of the goods and the
160 insurance does not include the freight, Sellers shall effect insurance upon similar terms, such insurance to attach only
161 as such freight becomes payable, for the amount of the freight plus 2%, until the termination of the risk as provided
162 in the above mentioned clauses, and shall undertake that their policies are so worded that in the case of a particular
163 or general average claim the Buyers shall be put in the same position as if the C.I.F. value plus 2% were insured from
164 the time of shipment.
165 (e) Certificates/Policies - Sellers shall give all policies and/or certificates and/or letters of insurance provided for in
166 this contract, (duly stamped if applicable) for original and increased value (if any) for the value stipulated in (c)
167 above. In the event of a certificate of insurance being supplied, it is agreed that such certificate shall be exchanged by
168 Sellers for a policy if and when required and such certificate shall state on its face that it is so exchangeable. If required

169 by Buyers, Letter(s) of Insurance shall be guaranteed by a recognised bank, or by any other guarantor who is
170 acceptable to Buyers.

171 (f) Total loss - In the event of total or constructive total loss, or where the amount of the insurance becomes payable
172 in full, the insured amount in excess of 2% over the invoice amount shall be for Sellers' account and the party in
173 possession of the policy (ies) shall collect the amount of insurance and shall thereupon settle with the other party on
174 that basis.

175 (g) Currency of Claims - Claims to be paid in the currency of the contract.

176 (h) War and Strike Risks Premiums - Any premium in excess of 0.50% to be for account of Buyers. The rate of such
177 insurance not to exceed the rate ruling in London at time of shipment or date of vessel's sailing whichever may be
178 adopted by Underwriters. Such excess premium shall be claimed from Buyers, wherever possible, with the
179 Provisional Invoice, but in no case later than the date of vessel's arrival, or not later than 7 consecutive days after the
180 rate has been agreed with Underwriters, whichever may be the later, otherwise such claim shall be void unless, in
181 the opinion of arbitrators, the delay is justifiable. Sellers' obligation to provide War Risk Insurance shall be limited to
182 the terms and conditions in force and generally obtainable in London at time of shipment.

183 (i) Where Sellers are responsible for allowances or other payments to Buyers, (and which risks are also covered
184 by the insurance provided by Sellers), the Buyers, on receipt of settlement, shall immediately return to Sellers the
185 insurance documents originally received from them and shall, if required, subrogate to Sellers all right of claim
186 against the Insurers in respect of such matters.

187 **14.2 For Contracts Concluded on C & F/C&FFO Terms** Buyers shall be responsible for obtaining insurance cover
188 as per Clause 14.1 above and shall, if required by Sellers, provide evidence to Sellers prior to the commencement of
189 loading that they have obtained suitable cover. If Buyers refuse or fail to provide evidence Sellers are entitled (but
190 not obliged) to cover insurance on the same terms at the Buyers' expense.

191 **15. DUTIES, TAXES, LEVIES, ETC.**

192 Sellers shall customs clear the goods for export. All export duties, taxes, levies, etc., present or future, in Australia,
193 shall be for Sellers' account. All import duties, taxes, levies, etc., present or future, in country of destination, shall be
194 for Buyers' account.
195
196

197 **16. DISCHARGE**

198 (a) **For CIF/C&F terms**, discharge shall be as fast as the vessel can deliver in accordance with the custom of
199 the port, but in the event of shipment being made under liner bill(s) of lading, discharge shall be as fast as
200 the vessel can deliver in accordance with the terms of the bill(s) of lading. The cost of discharge from hold
201 to ship's rail shall be for Sellers' account, from ship's rail overboard for Buyers' account.

202 (b) **For C&FFO/CIFFO terms**, the cost of discharge shall be for Buyers' account.
203

204 Discharge shall be at the average rate of tonnes per Weather Working Day, Saturdays, Sundays,
205 Holidays Excepted, Unless Used, (WWD SSHEX UU), in which case actual time used to count. Notice of
206 Readiness (NOR) shall be tendered during ordinary office hours on arrival, Whether In Port Or Not,
207 (WIPON), Whether In Berth Or Not, (WIBON), Whether In Free Pratique Or Not, (WIFPON), Whether
208 Customs Cleared Or Not (WCCON) and laytime shall commence at 0800 hours on the next working day. Rate
209 of demurrage/despatch as per Charter Party. In the event of a time charter, the daily hire rate shall be taken
210 as the rate of demurrage, half despatch.

211 (c) If documents are tendered which do not provide for discharging as above or contain contrary
212 stipulations, Sellers shall be responsible to Buyers for all extra expenses incurred thereby. Discharge by
213 grab(s) shall be permitted unless specifically excluded at time of contract. If shipment is effected by lash
214 barge, then the last day of discharge shall be the day of discharging the last lash barge at the port of
215 destination.
216

217 Demurrage/Despatch as per Charter Party, but maximum Demurrage/Despatch to be
218 settled within 30 days of completion of discharge.
219

220 **17. WEIGHING**

221 The terms and conditions of Gafta Weighing Rules No.123 are deemed to be incorporated into this contract. Unless
222 otherwise agreed, final settlement shall be made on the basis of gross delivered weights at time and place of
223 discharge at Buyers' expense. If the place of destination is outside the port limits, Buyers agree to pay the extra
224 expenses incurred by Sellers or their agents for weighing. No payment shall be made for increase in weight
225 occasioned by water and/or oil during the voyage. If final at time and place of loading, as per Gafta approved
226 register of superintendents' certificate at Sellers' choice and expense, the Deficiency Clause will not apply.
227

228 **18. DEFICIENCY**

229 Any deficiency in the bill of lading weight shall be paid for by Sellers and any excess over bill of lading weight shall

230 be paid for by Buyers at contract price.

231
232 **19. SAMPLING, ANALYSIS AND CERTIFICATES OF ANALYSIS**

233 The terms and conditions of Gafta Sampling Rules No.124 are deemed to be incorporated into this contract.
234 Samples shall be taken at the time of discharge on or before removal from the ship or quay, unless the parties
235 agree that the quality final at loading applies, in which event samples shall be taken at time and place of loading.
236 The parties shall appoint superintendents, for the purposes of supervision and sampling of the goods, from the
237 Gafta Approved Register of Superintendents. Unless otherwise agreed, analysts shall be appointed from the Gafta
238 Approved Register of Analysts.

239
240 **20. FUMIGATION**

241 Where fumigation has been agreed, the terms and conditions of Gafta Fumigation Rules No. 132 shall be
242 incorporated into this contract.

243
244 **21. PREVENTION OF SHIPMENT**

245 "Event of Force Majeure" means (a) prohibition of export or other executive or legislative act done by or on behalf
246 of the government of the country of origin or of the territory where the port or ports named herein is/are situate,
247 restricting export, whether partially or otherwise, or (b) blockade, or (c) acts of terrorism, or (d) hostilities, or (e)
248 strike, lockout or combination of workmen, or (f) riot or civil commotion, or (g) breakdown of machinery, or (h)
249 fire, or (i) ice, or (j) Act of God, or (k) unforeseeable and unavoidable impediments to transportation or navigation,
250 or (l) any other event comprehended in the term "force majeure".

251
252 Should Sellers' performance of this contract be prevented, whether partially or otherwise, by an Event of Force
253 Majeure, the performance of this contract shall be suspended for the duration of the Event of Force Majeure,
254 provided that Sellers shall have served a notice on Buyers within 7 consecutive days of the occurrence or not later
255 than 21 consecutive days before commencement of the shipment period, whichever is later, with the reasons
256 therefor.

257
258 If the Event of Force Majeure continues for 21 consecutive days after the end of the shipment period, then Buyers
259 have the option to cancel the unfulfilled part of the contract by serving a notice on Sellers not later than the first
260 business day after expiry of the 21 day period.

261
262 If this option to cancel is not exercised then the contract shall remain in force for an additional period of 14
263 consecutive days, after which, if the Event of Force Majeure has not ceased, any unfulfilled part of the contract
264 shall be automatically cancelled.

265
266 If the Event of Force Majeure ceases before the contract or any unfulfilled part thereof can be cancelled, Sellers
267 shall notify Buyers without delay that the Event of Force Majeure has ceased. Sellers shall be entitled, from the
268 cessation, to as much time as was left for shipment under the contract prior to the occurrence of the Event of Force
269 Majeure. If the time that was left for shipment under the contract is 14 days or less, a period of 14 consecutive
270 days shall be allowed.

271
272 The burden of proof lies upon Sellers and the parties shall have no liability to each other for delay and/or non-
273 fulfilment under this clause, provided that Sellers shall have provided to Buyers, if required, satisfactory evidence
274 justifying the delay or non-fulfilment.

275
276 **22. CIRCLE**

277 Where Sellers repurchase from their Buyers or from any subsequent Buyer the same goods or part thereof, a circle
278 shall be considered to exist as regards the particular goods so repurchased, and the provisions of the Default Clause
279 shall not apply. (For the purpose of this Clause the same goods shall mean goods of the same description, from the
280 same country of origin, of the same quality, and, where applicable, of the same analysis warranty, for shipment to the
281 same port(s) of destination during the same period of shipment). Different currencies shall not invalidate the circle.
282 Subject to the terms of the Prevention of Shipment Clause in the contract, if the goods are not appropriated, or, having
283 been appropriated documents are not presented, invoices based on the mean contract quantity shall be settled by all
284 Buyers and their Sellers in the circle by payment by all Buyers to their Sellers of the excess of the Sellers' invoice
285 amount over the lowest invoice amount in the circle. Payment shall be due not later than 15 consecutive days after
286 the last day for appropriation, or, should the circle not be ascertained before the expiry of this time, then payment
287 shall be due not later than 15 consecutive days after the circle is ascertained.

288 Where the circle includes contracts expressed in different currencies the lowest invoice amount shall be replaced by
289 the market price on the first day for contractual shipment and invoices shall be settled between each Buyer and his
290 Seller in the circle by payment of the differences between the market price and the relative contract price in currency
291 of the contract.

292 All Sellers and Buyers shall give every assistance to ascertain the circle and when a circle shall have been ascertained
293 in accordance with this Clause same shall be binding on all parties to the circle. As between Buyers and Sellers in the
294 circle, the non-presentation of documents by Sellers to their Buyers shall not be considered a breach of contract.
295 Should any party in the circle prior to the due date of payment commit any act comprehended in the Insolvency
296 Clause of this contract, settlement by all parties in the circle shall be calculated at the closing out price as provided
297 for in the Insolvency Clause, which shall be taken as a basis for settlement, instead of the lowest invoice amount in
298 the circle. In this event respective Buyers shall make payment to their Sellers or respective Sellers shall make
299 payment to their Buyers of the difference between the closing out price and the contract price.

300 301 **23. NON-BUSINESS DAYS**

302 Saturdays, Sundays and the officially recognised and/or legal holidays of the respective countries and any days,
303 which Gafta may declare as Non-Business Days for specific purposes, shall be Non-Business Days. Should the time
304 limit for doing any act or serving any notice expire on a Non-Business Day, the time so limited shall be extended until
305 the first business day thereafter. The period of shipment shall not be affected by this clause.

306 307 **24. NOTICES**

308 (a) All notices required to be served on the parties pursuant to this contract shall be served in legible form by E-
309 mail, or by other mutually recognised electronic method of rapid communication, always subject to the provision
310 that if receipt of any notice is contested, the burden of proof of transmission shall be on the sender who shall, in
311 the case of a dispute, establish, to the satisfaction of the arbitrator(s) or board of appeal appointed pursuant to the
312 Arbitration Clause, that the notice was actually transmitted to the addressee.

313 (b) In case of resales/repurchases, all notices shall be served without delay by sellers on their respective buyers
314 or vice versa, and any notice received after 1600 hours on a business day shall be deemed, for the purpose of
315 passing onto their sub buyers and sub sellers, to have been received on the business day following.

316 (c) A notice to the Brokers or Agent shall be deemed a notice under this contract.

317 318 **25. DEFAULT**

319 In default of fulfilment of contract by either party, the following provisions shall apply:-

320 (a) The party other than the defaulter shall, at their discretion have the right, after serving notice on the defaulter, to
321 sell or purchase, as the case may be, against the defaulter, and such sale or purchase shall establish the default price.

322 (b) If either party be dissatisfied with such default price or if the right at (a) above is not exercised and damages
323 cannot be mutually agreed, then the assessment of damages shall be settled by arbitration.

324 (c) The damages payable shall be based on, but not limited to, the difference between the contract price and either
325 the default price established under (a) above or upon the actual or estimated value of the goods, on the date of default,
326 established under (b) above.

327 (d) In no case shall damages include loss of profit on any sub-contracts made by the party defaulted against or others
328 unless the arbitrator(s) or board of appeal, having regard to special circumstances, shall in his/their sole and absolute
329 discretion think fit.

330 (e) Damages, if any, shall be computed on the quantity appropriated if any but, if no such quantity has been
331 appropriated then on the mean contract quantity, and any option available to either party shall be deemed to have
332 been exercised accordingly in favour of the mean contract quantity.

333 (f) Sellers may declare themselves in default at any time after expiry of the contract period, and the default date shall
334 then be the first business day after the date of Sellers' advice to their Buyers. If default has not already been declared
335 then (notwithstanding the provisions stated in the Appropriation Clause) if notice of appropriation has not been
336 served by the 5th business day after the last day for appropriation laid down in the contract, the Sellers shall be
337 deemed to be in default, and the default date shall then be the first business day thereafter.

338 339 **26. INSOLVENCY**

340 26.1 If before the fulfilment of this contract, either party shall:

341 (a) suspend payments;

342 (b) notify any of the creditors that he is unable to meet debts or that he has suspended or that he is about to
343 suspend payments of his debts;

344 (c) convene, call or hold a meeting of creditors;

345 (d) propose either:

346 (i) a voluntary arrangement; or

347 (ii) a restructuring plan under Part 26A Companies Act 2006;

348 (e) be subject to a moratorium pursuant to Part A1 of the Insolvency Act 1986;

349 (f) be subject to either:

350 (i) a notice of intention to appoint an administrator; or

351 (ii) a notice of appointment of an administrator;

352 (g) have an administration order made;

353 (h) be subject to a winding up petition;

- 354 (i) have a winding up order made;
355 (j) have a receiver or manager appointed;
356 (k) convene, call or hold a meeting to go into liquidation (other than for re-construction or amalgamation);
357 (l) become subject to an interim order under Section 252 of the Insolvency Act 1986; or
358 (m) have a bankruptcy petition presented against him,
359 (any of which acts being hereinafter called an "Act of Insolvency")
360 then the party committing such Act of Insolvency shall forthwith serve a notice of the occurrence of such Act
361 of Insolvency on the other party to the contract and upon proof (by either the other party to the contract or the
362 office-holder or other person representing the party committing the Act of Insolvency) that such notice was
363 served within 2 business days of the occurrence of the Act of Insolvency, the contract shall be closed out at the
364 market price ruling on the business day following the serving of the notice.
- 365 26.1 If such notice has not been served, then the other party, on learning of the occurrence of the Act of Insolvency,
366 shall have the option of declaring the contract closed out at either the market price on the first business day
367 after the date when such party first learnt of the occurrence of the Act of Insolvency or at the market price
368 ruling on the first business day after the date when the Act of Insolvency occurred.
- 369 26.2 In all cases the other party to the contract shall have the option of ascertaining the settlement price on the
370 closing out of the contract by re-purchase or re-sale, and the difference between the contract price and the re-
371 purchase or re-sale price shall be the amount payable or receivable under this contract.

372 27. DOMICILE

373 This contract shall be construed and take effect in accordance with the laws of England. Except for the
374 purpose of enforcing any award made in pursuance of the Arbitration Clause of this contract, the Courts of
375 England shall have exclusive jurisdiction to determine any application for ancillary relief, (save for obtaining
376 security only for the claim or counter-claim), the exercise of the powers of the Court in relation to the
377 arbitration proceedings and any dispute other than a dispute which shall fall within the jurisdiction of
378 arbitrators or board of appeal of the Association pursuant to the Arbitration Clause of this contract. For the
379 purpose of any legal proceedings each party shall be deemed to be ordinarily resident or carrying on
380 business at the offices of The Grain and Feed Trade Association, (Gafsa), England. The service of proceedings
381 upon any such party by leaving the same at the offices of The Grain and Feed Trade Association, together
382 with the posting of a copy of such proceedings to his address outside England, shall be deemed good service,
383 any rule of law or equity to the contrary notwithstanding.

384 28. ARBITRATION

- 385
- 386 (a) Any and all disputes arising out of or under this contract or any claim regarding the interpretation or execution
387 of this contract shall be determined by arbitration in accordance with the Gafsa Arbitration Rules, No 125, in the
388 edition current at the date of this contract; such Rules are incorporated into and form part of this Contract and
389 both parties hereto shall be deemed to be fully cognisant of and to have expressly agreed to the application of such
390 Rules.
- 391 (b) Neither party hereto, nor any persons claiming under either of them shall bring any action or other legal
392 proceedings against the other in respect of any such dispute, or claim until such dispute or claim shall first have
393 been heard and determined by the arbitrator(s) or a board of appeal, as the case may be, in accordance with the
394 Arbitration Rules and it is expressly agreed and declared that the obtaining of an award from the arbitrator(s) or
395 board of appeal, as the case may be, shall be a condition precedent to the right of either party hereto or of any
396 persons claiming under either of them to bring any action or other legal proceedings against the other of them in
397 respect of any such dispute or claim.
- 398 (c) Nothing contained under this Arbitration Clause shall prevent the parties from seeking to obtain security in
399 respect of their claim or counterclaim via legal proceedings in any jurisdiction, provided such legal
400 proceedings shall be limited to applying for and/or obtaining security for a claim or counterclaim, it being
401 understood and agreed that the substantive merits of any dispute or claim shall be determined solely by
402 arbitration in accordance with the Gafsa Arbitration Rules, No 125.

403 29. INTERNATIONAL CONVENTIONS

404 The following shall not apply to this contract: -

- 405 (a) The Uniform Law on Sales and the Uniform Law on Formation to which effect is given by the Uniform Laws on
406 International Sales Act 1967.
- 407 (b) the United Nations Convention on Contracts for the International Sale of Goods of 1980.
- 408 (c) The United Nations Convention on Prescription (Limitation) in the International Sale of Goods of 1974 and the
409 amending Protocol of 1980.
- 410 (d) Incoterms.
- 411 (e) Unless the contract contains any statement expressly to the contrary, a person who is not a party to this
412 contract has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of it.
- 413
- 414
- 415

416 **30. METHODS OF ANALYSIS**

417 Unless otherwise agreed, the terms and conditions of Gafta Methods of Analysis No. 130 are deemed to be
418 incorporated into this contract.

Sellers..... Buyers.....

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