



Contract No.21

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THE GRAIN AND FEED TRADE ASSOCIATION

INTRA-ASIA SUPPLY TERMS FOR FEEDINGSTUFFS IN BAGS OR 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**..... in bulk.
9 If in bags, then bags to be suitable for export and able to withstand ordinary wear and tear to port of
10 destination. Such bags to be taken and paid for as goods. Wherever the words "cakes" is used this is deemed
11 to mean goods of the contractual description.

12
13 **2. QUANTITY**.....
14 5% more or less, at Sellers' option at contract price. In the event of more than one shipment being made, each
15 shipment shall be considered a separate contract, but the tolerance on the mean quantity sold shall not be
16 affected thereby.

17
18 **3. PRICE AND DESTINATION**
19 At the price per tonne of 1,000 kilograms gross weight of

20
21 *cost, insurance and freight to

22
23 *cost, insurance and freight free out to

24
25 *cost and freight to

26
27 *cost and freight free out to.....

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

35
36 **5. QUALITY**.....
37
38 final at time and place of shipment, to be certified by.....
39 **Condition.** Shipment shall be made in good condition.

40
41 **6. PERIOD OF SHIPMENT**
42 As per bill(s) of lading dated or to be dated

43 The bill(s) of lading to be dated when the goods are actually on board. Date of the bill(s) of lading shall be
44 accepted as proof of date of shipment in the absence of evidence to the contrary. In any month containing an
45 odd number of days, the middle day shall be accepted as being in both halves of the month.
46

47 **7. SALES BY NAMED VESSELS**

48 For all sales by named vessels, the following shall apply:-

- 49 (a) Position of vessel is mutually agreed between Buyers and Sellers;
- 50 (b) The word "now" to be inserted before the word "classed" in the Shipment and Classification Clause;
- 51 (c) Appropriation Clause is cancelled if sold "shipped".

52
53 **8. SHIPMENT AND CLASSIFICATION**

54 Shipment from.....
55 direct or indirect, with or without transshipment by first class mechanically self-propelled vessel(s) suitable for
56 the carriage of the contract goods, classed in accordance with the Institute Classification Clause of the
57 International Underwriting Association in force at the time of shipment.

58
59 **9. NOMINATION OF VESSEL(S) FOR CONTRACTS CONCLUDED ON C & F/C&FFO TERMS**

- 60 (a) At a date agreed between the Parties but in any event prior to the commencement of loading, Sellers
- 61 shall nominate the intended carrying vessel(s) to Buyers.
- 62 (b) Sellers are entitled to substitute the nomination(s) provided that the substituting vessel(s)
- 63 complies with the terms of this clause.

64
65 **10. EXTENSION OF SHIPMENT**

66 The contract period for shipment, if such be 31 days or less, shall be extended by an additional period of not
67 more than 8 days, provided that Sellers serve notice claiming extension not later than the next business day
68 following the last day of the originally stipulated period. The notice need not state the number of additional
69 days claimed.

70 Sellers shall make an allowance to Buyers, to be deducted in the invoice from the contract price, based on the
71 number of days by which the originally stipulated period is exceeded, in accordance with the following scale: -

- 72 1 to 4 additional days, 0.50%;
- 73 5 or 6 additional days, 1%;
- 74 7 or 8 additional days 1.50% of the gross contract price.

75 If, however, after having served notice to Buyers as above, Sellers fail to make shipment within such 8 days,
76 then the contract shall be deemed to have called for shipment during the originally stipulated period plus 8
77 days, at contract price less 1.50%, and any settlement for default shall be calculated on that basis. If any
78 allowance becomes due under this clause, the contract price shall be deemed to be the original contract price
79 less the allowance and any other contractual differences shall be settled on the basis of such reduced price.

80
81 **11. APPROPRIATION**

- 82 (a) Notice of appropriation shall state the vessel's name, the presumed weight shipped, and the date or the
- 83 presumed date of the bill of lading.
- 84 (b) The notice of appropriation shall within 5 business days from the date of the bill(s) of lading be served by
- 85 or on behalf of the Shipper direct on his Buyers or on the Selling Agent or Brokers named in the contract.
- 86 (c) Notice of appropriation shall, within the period stated in sub-clause (b) be served by or on behalf of
- 87 subsequent Sellers on their Buyers or on the Selling Agent or Brokers named in the contract, but if notice of
- 88 appropriation is received by subsequent Sellers on the last day or after the period stated in sub-clause (b)
- 89 from the date of the bill of lading, their notice of appropriation shall be deemed to be in time if served: -
- 90 (1) On the same calendar day, if received not later than 1600 hours on any business day, or
- 91 (2) Not later than 1600 hours on the next business day, if received after 1600 hours or on a non-business
- 92 day.
- 93 (d) A notice of appropriation served on a Selling Agent or Brokers named in the contract shall be considered
- 94 an appropriation served on Buyers. A Selling Agent or Brokers receiving a notice of appropriation shall serve
- 95 like notice of appropriation in accordance with the provisions of this clause. Where the Shipper or subsequent
- 96 Sellers serves the notice of appropriation on the Selling Agent, such Selling Agent may serve notice of
- 97 appropriation either direct to the Buyers or to the Brokers.
- 98 (e) The bill of lading date stated in the notice of appropriation shall be for information only and shall not be
- 99 binding, but in fixing the period laid down by this clause for serving notices of appropriation the actual date
- 100 of the bill of lading shall prevail.
- 101 (f) Every notice of appropriation shall be open to correction of any errors occurring in transmission, provided
- 102 that the sender is not responsible for such errors, and for any previous error in transmission which has been
- 103 repeated in good faith.
- 104 (g) Should the vessel arrive before receipt of the appropriation and any extra expenses is incurred thereby,
- 105 such expenses shall be borne by Sellers.
- 106 (h) When a valid notice of appropriation has been received by Buyers, it shall not be withdrawn except with
- 107 their consent.
- 108 (i) In the event of less than 95 tonnes being tendered by any one vessel Buyers shall be entitled to refund of any

proved extra expenses for sampling, analysis and lighterage incurred thereby at port of discharge.

12. PAYMENT

- * (a)
- * (b) Unless the terms are otherwise agreed payment by irrevocable, confirmed, letter of credit payable at sight for the contract value, including the quantity tolerance. Letter of credit is to be opened and advised to Sellers no later than 15 consecutive days prior to the commencement of the shipment period. Third party documents acceptable. Charter party bills of lading shall be acceptable unless the contract is concluded on liner terms. Letter of credit to allow telegraphic transfer reimbursement. Each party to bear their own bank charges. The expiry date in the letter of credit shall be 30 consecutive days after the last shipment date allowed in the contract. The last shipment date will include the provisions of the Extension clause, if applicable. If Sellers invoke the Force Majeure clause, Buyers shall automatically extend the letter of credit for 60 consecutive days, but Sellers shall not be deemed thereby to have justified their claim for extension under the Force Majeure clause.
- (c) **Payment by** %of invoice amount by cash in in exchange for and on presentation of shipping documents.
- (d) **Shipping documents** – shall consist of - 1. Invoice. 2. Full set(s) of on board Bill(s) of Lading and/or Ship's Delivery Order(s) and/or other Delivery Order(s) in negotiable and transferable form. Such other Delivery Order(s) if required by Buyers, to be countersigned by the Shipowners, their Agents or a recognised bank. 3. For CIF/CIFFO terms Policy (ies) and/or Insurance Certificate(s) and/or Letter(s) of Insurance in the currency of the contract. The Letter(s) of Insurance to be certified by a recognised bank if required by Buyers. 4. Other documents as called for under the contract. Buyers agree to accept documents containing the Chamber of Shipping War Deviation Clause and/or other recognised official War Risk Clause.
- (e) In the event of a complete set of shipping documents not being available when called for by Buyers, or on arrival of the vessel at destination, Sellers may at their option, in exchange for payment by Buyers, provide a letter of indemnity entitling Buyers to obtain delivery of the goods. Such payment shall not prejudice Buyers' rights under the contract when shipping documents are available.
- (f) Costs of collection shall be for account of Sellers, but if Buyers demand presentation only through a bank of their choice, in that event any additional collection costs shall be borne by Buyers.
- (g) No obvious clerical error in the documents shall entitle Buyers to reject them or delay payment, but Sellers shall be responsible for all loss or expense caused to Buyers by reason of such error and Sellers shall on request furnish an approved guarantee in respect thereto.
- (h) **Interest.** If there has been unreasonable delay in any payment, interest appropriate to the currency involved shall be charged. If such charge is not mutually agreed, a dispute shall be deemed to exist which shall be settled by arbitration. Otherwise interest shall be payable only where specifically provided in the terms of the contract or by an award of arbitration. The terms of this clause do not override the parties' contractual obligation under sub-clauses (a), (b) or (c).

13. DUTIES, TAXES, LEVIES, ETC.

Sellers shall customs clear the goods for export. All export duties, taxes, levies, etc., present or future, in country of origin, shall be for Sellers' account. All import duties, taxes, levies, etc., present or future, in country of destination, shall be for Buyers' account.

14. DISCHARGE

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

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

(c) If documents are tendered which do not provide for discharging as above or contain contrary stipulations, Sellers shall be responsible to Buyers for all extra expenses incurred thereby. Discharge by grab(s) shall be permitted unless specifically excluded at time of contract. If shipment is effected

170 by lash barge, then the last day of discharge shall be the day of discharging the last lash barge at the
171 port of destination.

172 173 **15. WEIGHING**

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

181 182 **16. DEFICIENCY**

183 Any deficiency in the bill of lading weight shall be paid for by Sellers and any excess over bill of lading weight
184 shall be paid for by Buyers at contract price.

185 186 **17. SAMPLING, ANALYSIS AND CERTIFICATES OF ANALYSIS**

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

193 194 **18. FUMIGATION**

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

197 198 **19. INSURANCE**

199 **19.1 For Contracts Concluded on CIF/CIFFO terms** Sellers shall provide insurance on terms not less
200 favourable than those set out hereunder, and as set out in detail in Gafta Insurance Terms No.72 viz.:- Where
201 the sale is on CIF terms Sellers shall provide insurance. Where the sale is on C&F terms Buyers shall provide
202 insurance for their own account and give Sellers confirmation prior to the commencement of the shipment
203 period. If Buyers fail to provide this confirmation, Sellers shall have the right to place such insurance at Buyers'
204 risk and expense.

205 (a) Risks Covered: -

206 Cargo Clauses (WA), with average payable, with 3% franchise or better terms - Section 2 of Form 72

207 War Clauses (Cargo) - Section 4 of Form 72

208 Strikes, Riots and Civil Commotions Clauses (Cargo) - Section 5 of Form 72

209 (b) Insurers - The insurance to be effected with first class underwriters and/or companies who are domiciled
210 or carrying on business in the United Kingdom or who, for the purpose of any legal proceedings, accept a British
211 domicile and provide an address for service of process in London, but for whose solvency Sellers shall not be
212 responsible.

213 (c) Insurable Value - Insured amount to be for not less than 2% over the invoice amount, including freight when
214 freight is payable on shipment or due in any event, ship and/or cargo lost or not lost, and including the amount
215 of any War Risk premium payable by Buyers.

216 (d) Freight Contingency - When freight is payable on arrival or on right and true delivery of the goods and the
217 insurance does not include the freight, Sellers shall effect insurance upon similar terms, such insurance to attach
218 only as such freight becomes payable, for the amount of the freight plus 2%, until the termination of the risk as
219 provided in the above mentioned clauses, and shall undertake that their policies are so worded that in the case
220 of a particular or general average claim the Buyers shall be put in the same position as if the C.I.F. value plus 2%
221 were insured from the time of shipment.

222 (e) Certificates/Policies - Sellers shall give all policies and/or certificates and/or letters of insurance provided
223 for in this contract, (duly stamped if applicable) for original and increased value (if any) for the value stipulated
224 in (c) above. In the event of a certificate of insurance being supplied, it is agreed that such certificate shall be
225 exchanged by Sellers for a policy if and when required and such certificate shall state on its face that it is so
226 exchangeable. If required by Buyers, Letter(s) of Insurance shall be guaranteed by a recognised bank, or by any
227 other guarantor who is acceptable to Buyers.

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

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

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

241 **19.2 For Contracts Concluded on C & F/C&FFO terms** - Buyers shall be responsible for obtaining
242 insurance cover as per Clause 19.1 above and shall, if required by Sellers, provide evidence to Sellers
243 prior to the commencement of loading that they have obtained suitable cover. If Buyers refuse or fail
244 to provide evidence Sellers are entitled (but not obliged) to cover insurance on the same terms at the
245 Buyers' expense.

20. PREVENTION OF SHIPMENT

247 "Event of Force Majeure" means (a) prohibition of export or other executive or legislative act done by or on
248 behalf of the government of the country of origin or of the territory where the port or ports named herein
249 is/are situate, restricting export, whether partially or otherwise, or (b) blockade, or (c) acts of terrorism, or
250 (d) hostilities, or (e) strike, lockout or combination of workmen, or (f) riot or civil commotion, or (g)
251 breakdown of machinery, or (h) fire, or (i) ice, or (j) Act of God, or (k) unforeseeable and unavoidable
252 impediments to transportation or navigation, or (l) any other event comprehended in the term "force
253 majeure".
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256 Should Sellers' performance of this contract be prevented, whether partially or otherwise, by an Event of
257 Force Majeure, the performance of this contract shall be suspended for the duration of the Event of Force
258 Majeure, provided that Sellers shall have served a notice on Buyers within 7 consecutive days of the
259 occurrence or not later than 21 consecutive days before commencement of the shipment period, whichever
260 is later, with the reasons therefor.

261
262 If the Event of Force Majeure continues for 21 consecutive days after the end of the shipment period, then
263 Buyers have the option to cancel the unfulfilled part of the contract by serving a notice on Sellers not later
264 than the first business day after expiry of the 21 day period.

265
266 If this option to cancel is not exercised then the contract shall remain in force for an additional period of 14
267 consecutive days, after which, if the Event of Force Majeure has not ceased, any unfulfilled part of the contract
268 shall be automatically cancelled.

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

275
276 The burden of proof lies upon Sellers and the parties shall have no liability to each other for delay and/or
277 non-fulfilment under this clause, provided that Sellers shall have provided to Buyers, if required, satisfactory
278 evidence justifying the delay or non-fulfilment.

21. NOTICES

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

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

289 (c) A notice to the Brokers or Agent shall be deemed a notice under this contract.
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22. NON-BUSINESS DAYS

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

23. DEFAULT

In default of fulfilment of contract by either party, the following provisions shall apply: -
(a) The party other than the defaulter shall, at their discretion have the right, after serving a notice on the defaulter to sell or purchase, as the case may be, against the defaulter, and such sale or purchase shall establish the default price.
(b) If either party be dissatisfied with such default price or if the right at (a) above is not exercised and damages cannot be mutually agreed, then the assessment of damages shall be settled by arbitration.
(c) The damages payable shall be based on, but not limited to, the difference between the contract price and either the default price established under (a) above or upon the actual or estimated value of the goods, on the date of default, established under (b) above.
(d) In no case shall damage include loss of profit on any sub-contracts made by the party defaulted against or others unless the arbitrator(s) or board of appeal, having regard to special circumstances, shall in his/their sole and absolute discretion think fit.
(e) Damages, if any, shall be computed on the quantity appropriated if any but, if no such quantity has been appropriated then on the mean contract quantity, and any option available to either party shall be deemed to have been exercised accordingly in favour of the mean contract quantity.
(f) Sellers may declare themselves in default at any time after expiry of the contract period, and the default date shall then be the first business day after the date of Sellers' advice to their Buyers. If default has not already been declared then (notwithstanding the provisions stated in the appropriation clause) if notice of appropriation has not been served by the 5th business day after the last day for appropriation laid down in the contract, the Sellers shall be deemed to be in default, and the default date shall then be the first business day thereafter.

24. CIRCLE

Where Sellers re-purchase from their Buyers or from any subsequent buyer the same goods or part thereof, a circle shall be considered to exist as regards the particular goods so re-purchased, and the provisions of the Default Clause shall not apply. (For the purpose of this clause the same goods shall mean goods of the same description, from the same country of origin, of the same quality, and, where applicable, of the same analysis warranty, for shipment to the same port(s) of destination during the same period of shipment). Different currencies shall not invalidate the circle. Subject to the terms of the Prevention of Shipment Clause in the contract, if a circle is established prior to the goods being appropriated to all parties in the circle, settlement shall be based on the mean contract quantity. However, where a circle is established after the goods have been appropriated to all parties in the circle, settlement shall be based on the appropriated quantity. No circle settlement shall apply where documents have been presented to and paid by one of the parties in the circle. Settlement shall be made between the parties in the circle by payment by all Buyers to their Sellers of the excess of the Sellers' invoice amount over the lowest invoice amount in the circle. Payment shall be due not later than 15 consecutive days after the last day for appropriation, or, should the circle not be ascertained before the expiry of this time, then payment shall be due not later than 15 consecutive days after the circle is ascertained. Where the circle includes contracts expressed in different currencies the lowest invoice amount shall be replaced by the market price on the first day for contractual shipment and invoices shall be settled between each Buyer and his Seller in the circle by payment of the differences between the market price and the relative contract price in currency of the contract. All Sellers and Buyers shall give every assistance to ascertain the circle and when a circle shall have been ascertained in accordance with this clause same shall be binding on all parties to the circle. As between Buyers and Sellers in the circle, the non-presentation of documents by Sellers to their Buyers shall not be considered a breach of contract. Should any party in the circle prior to the due date of payment commit any act comprehended in the Insolvency Clause of his contract, settlement by all parties in the circle shall be calculated at the closing out price as provided for in the Insolvency Clause, which shall be taken as a basis for settlement, instead of the lowest invoice amount in the circle. In this event respective Buyers shall make payment to their Sellers or respective Sellers shall make payment to their Buyers of the difference between the closing out price and the contract price.

25. INSOLVENCY

25.1 If before the fulfilment of this contract, either party shall:
(a) suspend payments;

- 356 (b) notify any of the creditors that he is unable to meet debts or that he has suspended or that he is about to
357 suspend payments of his debts;
- 358 (c) convene, call or hold a meeting of creditors;
- 359 (d) propose either:
- 360 (i) a voluntary arrangement; or
- 361 (ii) a restructuring plan under Part 26A Companies Act 2006;
- 362 (e) be subject to a moratorium pursuant to Part A1 of the Insolvency Act 1986;
- 363 (f) be subject to either:
- 364 (i) a notice of intention to appoint an administrator; or
- 365 (ii) a notice of appointment of an administrator;
- 366 (g) have an administration order made;
- 367 (h) be subject to a winding up petition;
- 368 (i) have a winding up order made;
- 369 (j) have a receiver or manager appointed;
- 370 (k) convene, call or hold a meeting to go into liquidation (other than for re-construction or amalgamation);
- 371 (l) become subject to an interim order under Section 252 of the Insolvency Act 1986; or
- 372 (m) have a bankruptcy petition presented against him,

373 (any of which acts being hereinafter called an "**Act of Insolvency**")

374 then the party committing such Act of Insolvency shall forthwith serve a notice of the occurrence of such
375 Act of Insolvency on the other party to the contract and upon proof (by either the other party to the
376 contract or the office-holder or other person representing the party committing the Act of Insolvency)
377 that such notice was served within 2 business days of the occurrence of the Act of Insolvency, the contract
378 shall be closed out at the market price ruling on the business day following the serving of the notice.

379 25.2 If such notice has not been served, then the other party, on learning of the occurrence of the Act of
380 Insolvency, shall have the option of declaring the contract closed out at either the market price on the
381 first business day after the date when such party first learnt of the occurrence of the Act of Insolvency
382 or at the market price ruling on the first business day after the date when the Act of Insolvency occurred.

383 25.3 In all cases the other party to the contract shall have the option of ascertaining the settlement price on
384 the closing out of the contract by re-purchase or re-sale, and the difference between the contract price
385 and the re-purchase or re-sale price shall be the amount payable or receivable under this contract.

386 26. DOMICILE

387 This contract shall be construed and take effect in accordance with the laws of England. Except for the
388 purpose of enforcing any award made in pursuance of the Arbitration Clause of this contract, the Courts
389 of England shall have exclusive jurisdiction to determine any application for ancillary relief, (save for
390 obtaining security only for the claim or counter-claim), the exercise of the powers of the Court in
391 relation to the arbitration proceedings and any dispute other than a dispute which shall fall within the
392 jurisdiction of arbitrators or board of appeal of the Association pursuant to the Arbitration Clause of
393 this contract. For the purpose of any legal proceedings each party shall be deemed to be ordinarily
394 resident or carrying on business at the offices of The Grain and Feed Trade Association, (Gafta),
395 England. The service of proceedings upon any such party by leaving the same at the offices of The Grain
396 and Feed Trade Association, together with the posting of a copy of such proceedings to his address
397 outside England, shall be deemed good service, any rule of law or equity to the contrary
398 notwithstanding.

400 27. ARBITRATION

401 (a) Any and all disputes arising out of or under this contract or any claim regarding the interpretation or
402 execution of this contract shall be determined by arbitration in accordance with the Gafta Arbitration Rules,
403 No 125, in the edition current at the date of this contract; such Rules are incorporated into and form part of
404 this Contract and both parties hereto shall be deemed to be fully cognisant of and to have expressly agreed
405 to the application of such Rules.

406 (b) Neither party hereto, nor any persons claiming under either of them shall bring any action or other legal
407 proceedings against the other in respect of any such dispute, or claim until such dispute or claim shall first
408 have been heard and determined by the arbitrator(s) or a board of appeal, as the case may be, in accordance
409 with the Arbitration Rules and it is expressly agreed and declared that the obtaining of an award from the
410 arbitrator(s) or board of appeal, as the case may be, shall be a condition precedent to the right of either party
411 hereto or of any persons claiming under either of them to bring any action or other legal proceedings against
412 the other of them in respect of any such dispute or claim.

413 (c) Nothing contained under this Arbitration Clause shall prevent the parties from seeking to obtain security
414 in respect of their claim or counterclaim via legal proceedings in any jurisdiction, provided such legal
415 proceedings shall be limited to applying for and/or obtaining security for a claim or counterclaim, it being
416 understood and agreed that the substantive merits of any dispute or claim shall be determined solely by
417 arbitration in accordance with the Gafta Arbitration Rules, No 125.

- 419 **28. INTERNATIONAL CONVENTIONS**
420 The following shall not apply to this contract:-
421 (a) The Uniform Law on Sales and the Uniform Law on Formation to which effect is given by the Uniform Laws
422 on International Sales Act 1967.
423 (b) The United Nations Convention on Contracts for the International Sale of Goods of 1980.
424 (c) The United Nations Convention on Prescription (Limitation) in the International Sale of Goods of 1974 and
425 amending Protocol of 1980.
426 (d) Incoterms.
427 (e) Unless the contract contains any statement expressly to the contrary, a person rights under the Contract
428 (Rights of Third Parties) Act 1999 to enforce any term of it.
429
430 **29. METHODS OF ANALYSIS**
431 Unless otherwise agreed, the terms and conditions of Gafta Methods of Analysis No. 130 are deemed to
432 be incorporated into this contract.

SellersBuyers

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