



# 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

12 considered a separate contract, but the margin 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 \*cost, insurance and freight.....

17 \*cost, insurance and freight free out to .....

18 \*cost and freight to.....

19 \* cost and freight free out, to .....

20

21

22

23 **4. BROKERAGE** ..... per tonne, to be paid by Sellers on the mean contract quantity,

24 goods lost or not lost, contract fulfilled or not fulfilled unless such non-fulfilment is due to the cancellation of the

25 contract under the terms of the Prevention of Shipment Clause. Brokerage shall be due on the day shipping

26 documents are exchanged or, if the goods are not appropriated then brokerage shall be due on the 30th

27 consecutive day after the last day for appropriation. Any disputes arising out of this clause shall be referred to

28 arbitration in accordance with the arbitration clause.

29

30

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

40 tender 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 the word “about” when referring to quality shall mean the equivalent of 0.50% on contract price.

44

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

46

47 **6. PERIOD OF SHIPMENT**

48 As per bill(s) of lading dated or to be dated .....  
49 The bill(s) of lading to be dated when the goods are actually on board. Date of the bill(s) of lading shall be  
50 accepted as proof of date of shipment in the absence of evidence to the contrary. In any month containing an odd  
51 number of days, the middle day shall be accepted as being in both halves of the month.  
52

53 **7. PORT OF SHIPMENT.** From a port or ports in Australia.

54  
55 **8. SALES BY NAMED VESSELS**

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

- 57 (a) Position of vessel is mutually agreed between Buyers and Sellers;  
58 (b) The word "now" to be inserted before the word "classed" in the Shipment and Classification Clause;  
59 (c) Appropriation Clause cancelled if sold "shipped".  
60

61 **9. SHIPMENT AND CLASSIFICATION** .....

62 Direct or indirect, by first class mechanically self-propelled vessel(s) suitable for the carriage of the contract  
63 goods, classed in accordance with the Institute Classification Clause of the International Underwriting Association  
64 in force at the time of shipment, excluding tankers and vessels which are either classified in Lloyd's Register or  
65 described in Lloyd's Shipping Index as "Ore/Oil" vessels.  
66

67 **10. NOMINATION OF VESSEL(S) FOR CONTRACTS CONCLUDED ON C & F/C&FFO TERMS**

- 68 (a) At a date agreed between the Parties but in any event prior to the commencement of loading, Sellers shall  
69 nominate the intended carrying vessel(s) to Buyers. The vessel(s) nominated shall comply with the terms of  
70 the Institute Classification Clause and any other requirements as set out in the contract.  
71 (b) Sellers are entitled to substitute the nomination(s) provided that the substituting vessel(s) complies with  
72 the terms of this clause.  
73

74 **11. EXTENSION OF SHIPMENT**

75 The contract period for shipment, if such be 31 days or less, shall be extended by an additional period of not more  
76 than 8 days, provided that Sellers serve notice claiming extension not later than the next business day following  
77 the last day of the originally stipulated period. The notice need not state the number of additional days claimed.  
78 Sellers shall make an allowance to Buyers, to be deducted in the invoice from the contract price, based on the  
79 number of days by which the originally stipulated period is exceeded, in accordance with the following scale: -

- 80 1 to 4 additional days, 0.50%;  
81 5 or 6 additional days, 1%;  
82 7 or 8 additional days 1.50% of the gross contract price.

83 If, however, after having served notice to Buyers as above, Sellers fail to make shipment within such 8 days, then  
84 the contract shall be deemed to have called for shipment during the originally stipulated period plus 8 days, at  
85 contract price less 1.50%, and any settlement for default shall be calculated on that basis. If any allowance  
86 becomes due under this clause, the contract price shall be deemed to be the original contract price less the  
87 allowance and any other contractual differences shall be settled on the basis of such reduced price.  
88

89 **12. APPROPRIATION**

90 (a) Notice of appropriation shall state the vessel's name, the presumed weight shipped, and the date or the  
91 presumed date of the bill of lading.

92 (b) The notice of appropriation shall within 10 consecutive days from the date of the bill(s) of lading be served  
93 by or on behalf of the Shipper direct on his Buyers or on the Selling Agent or Brokers named in the contract.  
94 The Non-Business Days Clause shall not apply.

95 (c) Notice of appropriation shall, within the period stated in sub-clause (b) be served by or on behalf of  
96 subsequent Sellers on their Buyers or on the Selling Agent or Brokers named in the contract, but if notice of  
97 appropriation is received by subsequent Sellers on the last day or after the period stated in sub-clause (b) from  
98 the date of the bill of lading, their notice of appropriation shall be deemed to be in time if served: -

- 99 (1) On the same calendar day, if received not later than 1600 hours on any business day, or  
100 (2) Not later than 1600 hours on the next business day, if received after 1600 hours or on a non-business  
101 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  
105 Sellers serves the notice of appropriation on the Selling Agent, such Selling Agent may serve notice of  
106 appropriation 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  
111 that the sender is not responsible for such errors, and for any previous error in transmission which has been  
112 repeated 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.

### 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  
128 documents as called for under the contract. Buyers agree to accept documents containing the Chamber of  
129 Shipping War Deviation Clause and/or other recognised official War Risk Clause.

130 (c) In the event of shipping documents not being available when called for by Buyers, or on arrival of the vessel at  
131 destination, Sellers shall provide other documents or an indemnity entitling Buyers to obtain delivery of the goods  
132 and payment shall be made by Buyers in exchange for same, but such payment shall not prejudice Buyers' rights  
133 under the contract when shipping documents are eventually available.

134 (d) Should Sellers fail to present shipping documents or other documents or an indemnity entitling Buyers to take  
135 delivery, Buyers shall delivery under an indemnity provided by themselves and shall pay for the other documents  
136 when presented. Any reasonable extra expenses, including the costs of such indemnity or extra charges incurred by  
137 reason of the failure of Sellers to provide such documents, shall be borne by Sellers, but such payment shall not  
138 prejudice Buyers' rights under the contract when shipping documents are eventually available.

139 (e) Should shipping documents be presented with an incomplete set of bill(s) of lading or should other shipping  
140 documents be missing, payment shall be made provided that delivery of such missing documents is guaranteed,  
141 such guarantee to be countersigned, if required by Buyers, by a recognised bank.

142 (f) Costs of collection shall be for account of Sellers, but if Buyers demand presentation only through a bank of their  
143 choice, in that event any additional collection costs shall be borne by Buyers.

144 (g) No obvious clerical error in the documents shall entitle Buyers to reject them or delay payment, but Sellers shall  
145 be responsible for all loss or expense caused to Buyers by reason of such error and Sellers shall on request furnish  
146 an approved guarantee in respect thereto.

147 (h) **Interest.** If there has been unreasonable delay in any payment, interest appropriate to the currency involved  
148 shall be charged. If such charge is not mutually agreed, a dispute shall be deemed to exist which shall be settled by  
149 arbitration. Otherwise interest shall be payable only where specifically provided in the terms of the contract or by  
150 an award of arbitration. The terms of this clause do not override the parties' contractual obligation under sub-  
151 clause (a).

### 153 14. INSURANCE

154 **14.1 For Contracts Concluded on CIF/CIFFO Terms** Sellers shall provide insurance on terms not less  
155 favourable than those set out hereunder, and as set out in detail in GAFTA Insurance Terms No.72 viz:-

156 (a) Risks Covered: -

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

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

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

160 Australian, Canadian, South African and United States of America Acts - Section 6 of Form 72

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

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

168 (d) Freight Contingency - When freight is payable on arrival or on right and true delivery of the goods and the  
169 insurance does not include the freight, Sellers shall effect insurance upon similar terms, such insurance to attach

only as such freight becomes payable, for the amount of the freight plus 2%, until the termination of the risk as provided in the above mentioned clauses, and shall undertake that their policies are so worded that in the case 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% were insured from the time of shipment.

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

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

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

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

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

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

## 15. DUTIES, TAXES, LEVIES, ETC.

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

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

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

## 17. WEIGHING

The terms and conditions of GAFTA Weighing Rules No.123 are deemed to be incorporated into this contract.

231 Unless otherwise agreed, final settlement shall be made on the basis of gross delivered weights at time and place  
232 of discharge at Buyers' expense. If the place of destination is outside the port limits, Buyers agree to pay the  
233 extra expenses incurred by Sellers or their agents for weighing. No payment shall be made for increase in weight  
234 occasioned by water and/or oil during the voyage. If final at time and place of loading, as per GAFTA registered  
235 superintendents' certificate at Sellers' choice and expense, (in which case the Deficiency Clause will not apply).  
236

237 **18. DEFICIENCY**

238 Any deficiency in the bill of lading weight shall be paid for by Sellers and any excess over bill of lading weight  
239 shall be paid for by Buyers at contract price.  
240

241 **19. SAMPLING, ANALYSIS AND CERTIFICATES OF ANALYSIS**

242 The terms and conditions of GAFTA Sampling Rules No.124 are deemed to be incorporated into this contract.  
243 Samples shall be taken at the time of discharge on or before removal from the ship or quay, unless the parties  
244 agree that the quality final at loading applies, in which event samples shall be taken at time and place of loading.  
245 The parties shall appoint superintendents, for the purposes of supervision and sampling of the goods, from the  
246 GAFTA Register of Superintendents. Unless otherwise agreed, analysts shall be appointed from the GAFTA  
247 Register of Analysts.  
248

249 **20. FUMIGATION**

250 Where fumigation has been agreed, the terms and conditions of GAFTA Fumigation Rules No. 132 shall be  
251 incorporated into this contract.  
252

253 **21. PREVENTION OF SHIPMENT**

254 "Event of Force Majeure" means (a) prohibition of export or other executive or legislative act done by or on  
255 behalf of the government of the country of origin or of the territory where the port or ports named herein is/are  
256 situate, restricting export, whether partially or otherwise, or (b) blockade, or (c) acts of terrorism, or (d)  
257 hostilities, or (e) strike, lockout or combination of workmen, or (f) riot or civil commotion, or (g) breakdown of  
258 machinery, or (h) fire, or (i) ice, or (j) Act of God, or (k) unforeseeable and unavoidable impediments to  
259 transportation or navigation, or (l) any other event comprehended in the term "force majeure".  
260

261 Should Sellers' performance of this contract be prevented, whether partially or otherwise, by an Event of Force  
262 Majeure, the performance of this contract shall be suspended for the duration of the Event of Force Majeure,  
263 provided that Sellers shall have served a notice on Buyers within 7 consecutive days of the occurrence or not  
264 later than 21 consecutive days before commencement of the shipment period, whichever is later, with the  
265 reasons therefor.  
266

267 If the Event of Force Majeure continues for 21 consecutive days after the end of the shipment period, then  
268 Buyers have the option to cancel the unfulfilled part of the contract by serving a notice on Sellers not later than  
269 the first business day after expiry of the 21 day period.  
270

271 If this option to cancel is not exercised then the contract shall remain in force for an additional period of 14  
272 consecutive days, after which, if the Event of Force Majeure has not ceased, any unfulfilled part of the contract  
273 shall be automatically cancelled.  
274

275 If the Event of Force Majeure ceases before the contract or any unfulfilled part thereof can be cancelled, Sellers  
276 shall notify Buyers without delay that the Event of Force Majeure has ceased. Sellers shall be entitled, from the  
277 cessation, to as much time as was left for shipment under the contract prior to the occurrence of the Event of  
278 Force Majeure. If the time that was left for shipment under the contract is 14 days or less, a period of 14  
279 consecutive days shall be allowed.  
280

281 The burden of proof lies upon Sellers and the parties shall have no liability to each other for delay and/or non-  
282 fulfilment under this clause, provided that Sellers shall have provided to Buyers, if required, satisfactory  
283 evidence justifying the delay or non-fulfilment.  
284

285 **22. CIRCLE**

286 Where Sellers repurchase from their Buyers or from any subsequent Buyer the same goods or part thereof, a circle  
287 shall be considered to exist as regards the particular goods so repurchased, and the provisions of the Default Clause  
288 shall not apply. (For the purpose of this Clause the same goods shall mean goods of the same description, from the  
289 same country of origin, of the same quality, and, where applicable, of the same analysis warranty, for shipment to  
290 the same port(s) of destination during the same period of shipment). Different currencies shall not invalidate the  
291 circle.

292 Subject to the terms of the Prevention of Shipment Clause in the contract, if the goods are not appropriated, or,  
293 having been appropriated documents are not presented, invoices based on the mean contract quantity shall be  
294 settled by all Buyers and their Sellers in the circle by payment by all Buyers to their Sellers of the excess of the  
295 Sellers' invoice amount over the lowest invoice amount in the circle. Payment shall be due not later than 15  
296 consecutive days after the last day for appropriation, or, should the circle not be ascertained before the expiry of  
297 this time, then payment shall be due not later than 15 consecutive days after the circle is ascertained.

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

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

### 311 **23. NON-BUSINESS DAYS**

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

### 317 **24. NOTICES**

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

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

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

### 328 **25. DEFAULT**

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

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

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

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

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

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

344 (f) Default may be declared by Sellers at any time after expiry of the contract period, and the default date shall then  
345 be the first business day after the date of Sellers' advice to their Buyers. If default has not already been declared  
346 then (notwithstanding the provisions stated in the Appropriation Clause) if notice of appropriation has not been  
347 served by the 10th consecutive day after the last day for appropriation laid down in the contract, the Sellers shall be  
348 deemed to be in default, and the default date shall then be the first business day thereafter.

### 350 **26. INSOLVENCY**

351 26.1 If before the fulfilment of this contract, either party shall:

352 (a) suspend payments;

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

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

376 26.1 If such notice has not been served, then the other party, on learning of the occurrence of the Act of  
 377 Insolvency, shall have the option of declaring the contract closed out at either the market price on the first  
 378 business day after the date when such party first learnt of the occurrence of the Act of Insolvency or at the  
 379 market price ruling on the first business day after the date when the Act of Insolvency occurred.

380 26.2 In all cases the other party to the contract shall have the option of ascertaining the settlement price on the  
 381 closing out of the contract by re-purchase or re-sale, and the difference between the contract price and the  
 382 re-purchase or re-sale price shall be the amount payable or receivable under this contract.

384 **27. DOMICILE**

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

400 **28. 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, No  
 403 125, in the edition current at the date of this contract; such Rules are incorporated into and form part of this  
 404 Contract and both parties hereto shall be deemed to be fully cognisant of and to have expressly agreed to the  
 405 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 have  
 408 been heard and determined by the arbitrator(s) or a board of appeal, as the case may be, in accordance with the  
 409 Arbitration Rules and it is expressly agreed and declared that the obtaining of an award from the arbitrator(s) or  
 410 board of appeal, as the case may be, shall be a condition precedent to the right of either party hereto or of any  
 411 persons claiming under either of them to bring any action or other legal proceedings against the other of them in  
 412 respect of any such dispute or claim.

413 (c) Nothing contained under this Arbitration Clause shall prevent the parties from seeking to obtain security in

414 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.

418  
419 **29. 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 on  
422 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 the  
425 amending Protocol of 1980.  
426 (d) Incoterms.  
427 (e) Unless the contract contains any statement expressly to the contrary, a person who is not a party to this  
428 contract has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of it.

429  
430 **30. 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.

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

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**GAFTA**  
**THE GRAIN AND FEED TRADE ASSOCIATION**  
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