

# Contract No.9

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THE GRAIN AND FEED TRADE ASSOCIATION



## CONTRACT FOR IMPORTED FEEDING MEAT MEAL AND MEAT AND BONE MEAL IN BAGS TALE QUALE – CIF/CIFFO/C&F/C&FFO TERMS

\*delete/specify as appropriate

Date .....

1 **SELLERS** .....

2

3 **INTERVENING AS BROKERS**

4 .....

5

6 **BUYERS**.....

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

8

9 **1. GOODS** .....

10

11 **2. QUANTITY**.....

12 Sellers shall have the option of shipping up to 5% more or less than the contract quantity. In the event of

13 more than one shipment being made, each shipment shall be considered a separate contact, but the tolerance

14 on the mean quantity sold shall not be affected thereby.

15

16 **3. PRICE AND DESTINATION**

17 At the price per tonne of 1,000 kilograms gross weight of.....

18

19 \*cost, insurance and freight to.....

20

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

22

23 \*cost and freight to .....

24

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

26

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

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

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

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

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

32 to arbitration in accordance with the arbitration clause.

33

34 **5. QUALITY**

35 **Warranted to contain**.....

36

37 Not less than ..... % of Protein.

38

39 Not less than ..... % of Phosphoric Acid equal to .....

40

41 Not less than ..... % of Bone Phosphate of Lime.

42

43 Not more than ..... % of Fat.

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

45

46 **6. ALLOWANCES FOR DEFICIENCY AND/OR EXCESS**  
47 **Protein** - The allowance to Buyers shall be at the rate of 1% of the contract price for each unit of deficiency  
48 up to 3% and proportionately for any fraction thereof.  
49 **Bone phosphate of lime** - The allowance to Buyers for deficiency shall be at the rate of 1% of the contract  
50 price for each unit of deficiency up to 4% and proportionately for any fraction thereof.  
51 **Fat** - where goods are sold on the basis of: -  
52 not more than 3% fat an excess of 1% fat may be delivered.  
53 Over 3% and not more than 5% fat, an excess of 1.50% fat may be delivered.  
54 Over 5% and not more than 8% fat, an excess of 2% fat may be delivered.  
55 Over 8% fat an excess of 3% fat may be delivered.  
56 The allowance to Buyers for excess over the contract warranty shall be at the rate of 1% of the contract price  
57 for each unit of excess or proportionately for any fraction thereof.  
58 Right of rejection - Should the analysis show deficiency and/or excess beyond the limits specified above,  
59 Buyers shall be entitled to rejection but should Buyers decide to retain the goods they shall be entitled to  
60 further allowance or allowances to be settled by agreement or arbitration.  
61

62 **7. PERIOD OF SHIPMENT**  
63 As per bill(s) of lading dated or to be dated .....  
64 The bill(s) of lading to be dated when the goods are actually on board. Date of the bill(s) of lading shall be  
65 accepted as proof of date of shipment in the absence of evidence to the contrary. In any month containing an  
66 odd number of days, the middle day shall be accepted as being in both halves of the month.  
67

68 **8. SALES BY NAMED VESSELS**  
69 For all sales by named vessels, the following shall apply: -  
70 (a) Position of vessel is mutually agreed between Buyers and Sellers;  
71 (b) The word "now" to be inserted before the word "classed" in the Shipment and Classification Clause;  
72 (c) Appropriation Clause cancelled if sold "shipped".  
73

74 **9. SHIPMENT AND CLASSIFICATION**  
75 Shipment from.....  
76 direct or indirect, with or without transshipment by first class mechanically self-propelled vessel(s) suitable  
77 for the carriage of the contract goods, classed in accordance with the Institute Classification Clause of the  
78 International Underwriting Association in force at the time of shipment.  
79

80 **10. NOMINATION OF VESSEL(S) FOR CONTRACTS CONCLUDED ON C & F/C&FFO TERMS**  
81 (a) At a date agreed between the Parties but in any event prior to the commencement of loading, Sellers shall  
82 nominate the intended carrying vessel(s) to Buyers. The vessel(s) nominated shall comply with the terms of  
83 the Institute Classification Clause and any other requirements as set out in the contract.  
84 (b) Sellers are entitled to substitute the nomination(s) provided that the substituting vessel(s) complies with  
85 the terms of this clause.  
86

87 **11. EXTENSION OF SHIPMENT**  
88 The contract period for shipment, if such be 31 days or less, shall be extended by an additional period of not  
89 more than 8 days, provided that Sellers serve notice claiming extension not later than the next business day  
90 following the last day of the originally stipulated period. The notice need not state the number of additional  
91 days claimed.  
92 Sellers shall make an allowance to Buyers, to be deducted in the invoice from the contract price, based on the  
93 number of days by which the originally stipulated period is exceeded, in accordance with the following scale:-  
94 1 to 4 additional days, 0.50%;  
95 5 or 6 additional days, 1%;  
96 7 or 8 additional days 1.50% of the gross contract price.  
97 If, however, after having served notice to Buyers as above, Sellers fail to make shipment within such 8 days,  
98 then the contract shall be deemed to have called for shipment during the originally stipulated period plus 8  
99 days, at contract price less 1.50%, and any settlement for default shall be calculated on that basis. If any  
100 allowance becomes due under this clause, the contract price shall be deemed to be the original contract price  
101 less the allowance and any other contractual differences shall be settled on the basis of such reduced price.  
102

103 **12. APPROPRIATION**  
104 (a) Notice of appropriation shall state the vessel's name, the presumed weight shipped, and the date or the  
105 presumed date of the bill of lading.  
106 (b) The notice of appropriation shall within 5 business days from the date of the bill(s) of lading be served by  
107 or on behalf of the Shipper direct on his Buyers or on the Selling Agent or Brokers named in the contract.

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

112 (1) On the same calendar day, if received not later than 1600 hours on any business day, or

113 (2) Not later than 1600 hours on the next business day, if received after 1600 hours or on a non-  
114 business day.

115 (d) A notice of appropriation served on a Selling Agent or Brokers named in the contract shall be considered  
116 an appropriation served on Buyers. A Selling Agent or Brokers receiving a notice of appropriation shall serve  
117 like notice of appropriation in accordance with the provisions of this clause. Where the Shipper or  
118 subsequent Sellers serves the notice of appropriation on the Selling Agent, such Selling Agent may serve  
119 notice of appropriation either direct to the Buyers or to the Brokers.

120 (e) The bill of lading date stated in the notice of appropriation shall be for information only and shall not be  
121 binding, but in fixing the period laid down by this clause for serving notices of appropriation the actual date  
122 of the bill of lading shall prevail.

123 (f) Every notice of appropriation shall be open to correction of any errors occurring in transmission, provided  
124 that the sender is not responsible for such errors, and for any previous error in transmission which has been  
125 repeated in good faith.

126 (g) Should the vessel arrive before receipt of the appropriation and any extra expenses is incurred thereby,  
127 such expenses shall be borne by Sellers.

128 (h) When a valid notice of appropriation has been received by Buyers, it shall not be withdrawn except with  
129 their consent.

130 (i) In the event of less than 95 tonnes being tendered by any one vessel Buyers shall be entitled to refund of  
131 any proved extra expenses for sampling, analysis and lighterage incurred thereby at port of discharge.

### 133 **13. PAYMENT**

134 (a) **Payment**.....% of invoice amount by cash in .....

135 \* In exchange for and on presentation of shipping documents;

136 \* In exchange for shipping documents on or before arrival of the vessel at destination, at Buyers' option;  
137 Sellers, however, have the option of calling upon Buyers to take up and pay for documents on or after

138 ..... consecutive days from the date of the bill(s) of lading.

139 (b) **Shipping documents** – shall consist of - 1. Invoice. 2. Full set(s) of on board Bill(s) of Lading and/or Ship's  
140 Delivery Order(s) and/or other Delivery Order(s) in negotiable and transferable form. Such other Delivery  
141 Order(s) if required by Buyers, to be countersigned by the Shipowners, their Agents or a recognised bank. 3.  
142 For CIF/CIFFO terms Policy (ies) and/or Insurance Certificate(s) and/or Letter(s) of Insurance in the  
143 currency of the contract. The Letter(s) of Insurance to be certified by a recognised bank if required by Buyers.  
144 4. Other documents as called for under the contract. Buyers agree to accept documents containing the  
145 Chamber of Shipping War Deviation Clause and/or other recognised official War Risk Clause.

146 (c) In the event of a complete set of shipping documents not being available when called for by Buyers, or on  
147 arrival of the vessel at destination, Sellers may at their option, in exchange for payment by Buyers, provide a  
148 letter of indemnity entitling Buyers to obtain delivery of the goods. Such payment shall not prejudice Buyers'  
149 rights under the contract when shipping documents are available.

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

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

155 (f) **Interest.** If there has been unreasonable delay in any payment, interest appropriate to the currency  
156 involved shall be charged. If such charge is not mutually agreed, a dispute shall be deemed to exist which  
157 shall be settled by arbitration. Otherwise interest shall be payable only where specifically provided in the  
158 terms of the contract or by an award of arbitration. The terms of this clause do not override the parties'  
159 contractual obligation under sub-clause (a).  
160  
161

### 162 **14. DUTIES, TAXES, LEVIES, ETC.**

163 Sellers shall customs clear the goods for export. All export duties, taxes, levies, etc., present or future, in country  
164 of origin, shall be for Sellers' account. All import duties, taxes, levies, etc., present or future, in country of  
165 destination, shall be for Buyers' account.  
166

### 167 **15. DISCHARGE**

168 (a) For CIF/C&F terms, discharge shall be as fast as the vessel can deliver in accordance with the custom of  
169 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 SSHEX 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.

## 16. WEIGHING

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

## 17. DEFICIENCY

Any deficiency in the bill of lading weight shall be paid for by Sellers and any excess over bill of lading weight shall be paid for by Buyers at contract price, (unless the Pro-rata clause applies).

## 18. SAMPLING, ANALYSIS AND CERTIFICATES OF ANALYSIS

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

## 19. FUMIGATION

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

## 20. INSURANCE

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

(a) Risks Covered:-

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

War Clauses (Cargo) - Section 4 of Form 72

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

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

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

(d) Freight Contingency - When freight is payable on arrival or on right and true delivery of the goods and the 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 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 serve 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

233 value stipulated in (c) above. In the event of a certificate of insurance being supplied, it is agreed that such  
234 certificate shall be exchanged by Sellers for a policy if and when required and such certificate shall state on  
235 its face that it is so exchangeable. If required by Buyers, letter(s) of insurance shall be guaranteed by a  
236 recognised bank, or by any other guarantor who is acceptable to Buyers.

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

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

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

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

255 **20.2 For Contracts Concluded on C & F/C&FFO Terms** Buyers shall be responsible for obtaining insurance  
256 cover as per Clause 20.1 above and shall, if required by Sellers, provide evidence to Sellers prior to the  
257 commencement of loading that they have obtained suitable cover. If Buyers refuse or fail to provide evidence  
258 Sellers are entitled (but not obliged) to cover insurance on the same terms at the Buyers' expense.  
259

## 260 **21. PREVENTION OF SHIPMENT**

261 "Event of Force Majeure" means (a) prohibition of export or other executive or legislative act done by or on behalf  
262 of the government of the country of origin or of the territory where the port or ports named herein is/are situate,  
263 restricting export, whether partially or otherwise, or (b) blockade, or (c) acts of terrorism, or (d) hostilities, or (e)  
264 strike, lockout or combination of workmen, or (f) riot or civil commotion, or (g) breakdown of machinery, or (h)  
265 fire, or (i) ice, or (j) Act of God, or (k) unforeseeable and unavoidable impediments to transportation or navigation,  
266 or (l) any other event comprehended in the term "force majeure".  
267

268 Should Sellers' performance of this contract be prevented, whether partially or otherwise, by an Event of Force  
269 Majeure, the performance of this contract shall be suspended for the duration of the Event of Force Majeure,  
270 provided that Sellers shall have served a notice on Buyers within 7 consecutive days of the occurrence or not later  
271 than 21 consecutive days before commencement of the shipment period, whichever is later, with the reasons  
272 therefor.  
273

274 If the Event of Force Majeure continues for 21 consecutive days after the end of the shipment period, then Buyers  
275 have the option to cancel the unfulfilled part of the contract by serving a notice on Sellers not later than the first  
276 business day after expiry of the 21 day period.  
277

278 If this option to cancel is not exercised then the contract shall remain in force for an additional period of 14  
279 consecutive days, after which, if the Event of Force Majeure has not ceased, any unfulfilled part of the contract shall  
280 be automatically cancelled.  
281

282 If the Event of Force Majeure ceases before the contract or any unfulfilled part thereof can be cancelled, Sellers shall  
283 notify Buyers without delay that the Event of Force Majeure has ceased. Sellers shall be entitled, from the cessation,  
284 to as much time as was left for shipment under the contract prior to the occurrence of the Event of Force Majeure.  
285 If the time that was left for shipment under the contract is 14 days or less, a period of 14 consecutive days shall be  
286 allowed.  
287

288 The burden of proof lies upon Sellers and the parties shall have no liability to each other for delay and/or non-  
289 fulfilment under this clause, provided that Sellers shall have provided to Buyers, if required, satisfactory evidence  
290 justifying the delay or non-fulfilment.  
291

## 292 **22. NOTICES**

293 (a) All notices required to be served on the parties pursuant to this contract shall be served in legible form  
294 by E-mail, or by other mutually recognised electronic method of rapid communication, always subject to the  
295 provision that if receipt of any notice is contested, the burden of proof of transmission shall be on the sender

296 who shall, in the case of a dispute, establish, to the satisfaction of the arbitrator(s) or board of appeal  
297 appointed pursuant to the Arbitration Clause, that the notice was actually transmitted to the addressee.

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

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

### 302 303 **23. NON BUSINESS DAYS**

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

### 308 309 **24. DEFAULT**

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

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

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

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

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

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

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

### 330 331 **25. CIRCLE**

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

358 **26. INSOLVENCY**

- 359 26.1 If before the fulfilment of this contract, either party shall:
- 360 (a) suspend payments;
- 361 (b) notify any of the creditors that he is unable to meet debts or that he has suspended or that he is about to
- 362 suspend payments of his debts;
- 363 (c) convene, call or hold a meeting of creditors;
- 364 (d) propose either:
- 365 (i) a voluntary arrangement; or
- 366 (ii) a restructuring plan under Part 26A Companies Act 2006;
- 367 (e) be subject to a moratorium pursuant to Part A1 of the Insolvency Act 1986;
- 368 (f) be subject to either:
- 369 (i) a notice of intention to appoint an administrator; or
- 370 (ii) a notice of appointment of an administrator;
- 371 (g) have an administration order made;
- 372 (h) be subject to a winding up petition;
- 373 (i) have a winding up order made;
- 374 (j) have a receiver or manager appointed;
- 375 (k) convene, call or hold a meeting to go into liquidation (other than for re-construction or amalgamation);
- 376 (l) become subject to an interim order under Section 252 of the Insolvency Act 1986; or
- 377 (m) have a bankruptcy petition presented against him,
- 378 (any of which acts being hereinafter called an "Act of Insolvency")
- 379 then the party committing such Act of Insolvency shall forthwith serve a notice of the occurrence of such Act
- 380 of Insolvency on the other party to the contract and upon proof (by either the other party to the contract or
- 381 the office-holder or other person representing the party committing the Act of Insolvency) that such notice
- 382 was served within 2 business days of the occurrence of the Act of Insolvency, the contract shall be closed out
- 383 at the market price ruling on the business day following the serving of the notice.
- 384 26.2 If such notice has not been served, then the other party, on learning of the occurrence of the Act of Insolvency,
- 385 shall have the option of declaring the contract closed out at either the market price on the first business day
- 386 after the date when such party first learnt of the occurrence of the Act of Insolvency or at the market price
- 387 ruling on the first business day after the date when the Act of Insolvency occurred.
- 388 26.3 In all cases the other party to the contract shall have the option of ascertaining the settlement price on the
- 389 closing out of the contract by re-purchase or re-sale, and the difference between the contract price and the re-
- 390 purchase or re-sale price shall be the amount payable or receivable under this contract.
- 391

392 **27. DOMICILE**

393 This contract shall be construed and take effect in accordance with the laws of England. Except for the

394 purpose of enforcing any award made in pursuance of the Arbitration Clause of this contract, the Courts of

395 England shall have exclusive jurisdiction to determine any application for ancillary relief, (save for

396 obtaining security only for the claim or counter-claim), the exercise of the powers of the Court in relation

397 to the arbitration proceedings and any dispute other than a dispute which shall fall within the jurisdiction

398 of arbitrators or board of appeal of the Association pursuant to the Arbitration Clause of this contract. For

399 the purpose of any legal proceedings each party shall be deemed to be ordinarily resident or carrying on

400 business at the offices of The Grain and Feed Trade Association, (Gafta), England. The service of proceedings

401 upon any such party by leaving the same at the offices of The Grain and Feed Trade Association, together

402 with the posting of a copy of such proceedings to his address outside England, shall be deemed good service,

403 any rule of law or equity to the contrary notwithstanding.

404

405 **28. ARBITRATION**

- 406 (a) Any and all disputes arising out of or under this contract or any claim regarding the interpretation or
- 407 execution of this contract shall be determined by arbitration in accordance with the Gafta Arbitration Rules,
- 408 No 125, in the edition current at the date of this contract; such Rules are incorporated into and form part of
- 409 this Contract and both parties hereto shall be deemed to be fully cognisant of and to have expressly agreed
- 410 to the application of such Rules.
- 411 (b) Neither party hereto, nor any persons claiming under either of them shall bring any action or other legal
- 412 proceedings against the other in respect of any such dispute, or claim until such dispute or claim shall first
- 413 have been heard and determined by the arbitrator(s) or a board of appeal, as the case may be, in accordance
- 414 with the Arbitration Rules and it is expressly agreed and declared that the obtaining of an award from the
- 415 arbitrator(s) or board of appeal, as the case may be, shall be a condition precedent to the right of either
- 416 party hereto or of any persons claiming under either of them to bring any action or other legal proceedings
- 417 against the other of them in respect of any such dispute or claim.
- 418 (c) Nothing contained under this Arbitration Clause shall prevent the parties from seeking to obtain security
- 419 in respect of their claim or counterclaim via legal proceedings in any jurisdiction, provided such legal
- 420 proceedings shall be limited to applying for and/or obtaining security for a claim or counterclaim, it being

421 understood and agreed that the substantive merits of any dispute or claim shall be determined solely by  
422 arbitration in accordance with the Gafta Arbitration Rules, No 125.

423  
424 **29. INTERNATIONAL CONVENTIONS**

- 425 The following shall not apply to this contract: -  
426 (a) The Uniform Law on Sales and the Uniform Law on Formation to which effect is given by the Uniform  
427 Laws on International Sales Act 1967.  
428 (b) The United Nations Convention on Contracts for the International Sale of Goods of 1980.  
429 (c) The United Nations Convention on Prescription (Limitation) in the International Sale of Goods of 1974  
430 and the amending Protocol of 1980.  
431 (d) Incoterms.  
432 (e) Unless the contract contains any statement expressly to the contrary, a person who is not a party to this  
433 contract has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of it.

434  
435 **30. METHODS OF ANALYSIS**

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

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

Printed in England and issued by

**GAFTA**  
**THE GRAIN AND FEED TRADE ASSOCIATION**  
**9 LINCOLN'S INN FIELDS, LONDON WC2A 3BP**