

CONTRACT FOR THE TRADE IN EDIBLE GROUNDNUTS

CIF / C&F CONDITIONS

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Place

Date

Messrs

of

We confirm having
sold to **bought from** you to-day : _____

on behalf of : _____

Quantity : about _____ tons of _____ kgs., shipped weight, maximum
5% more or less in seller's option, to be settled at contract price.

Article :
unshelled **sorted** **shelled** **unsorted** _____ **groundnuts.**

Quality and condition : sound f.a.q. at time and place of shipment

shipped **delivered**

about as per sample in the possession of _____

Packing : in new and / or good second-hand single jute bags, suitable for
groundnuts

Price : _____ per _____
C.I.F. **C.&F.**

including packing
net **gross** **shipped** **delivered** weight.

Payment : without discount at _____ in exchange for
full set of documents on first presentation/ on arrival of sea-going
vessel at port of destination but not later than _____ business
days after date of bill of lading.

Shipment : from origin during _____

Afloat : _____

Special Conditions : _____

the said to be governed by the conditions overleaf, the written text to
purchase **sale** supersede the printed text.

Yours faithfully,

Received from _____ Contract No. _____

for _____

Article 1.

Shipment.

1. Provided shipments be made within the stipulated periods, they may be made in one quantity or by instalments by sea-going vessel or vessels, directly or indirectly and with or without transshipment. Each instalment shall constitute a separate contract.
2. The term " sea-going vessel " shall mean any ship, propelled by an engine of sufficient power to complete the voyage at a normal speed, in respect of which a certificate of seaworthiness is issued by a body recognised by Lloyds, valid for the waters to be navigated during the voyage for which the parcel in question has been presented for shipment.
3. The date of the bill of lading or through bill of lading shall be deemed to be the date of shipment, subject to evidence to the contrary.

Article 2.

Marine and war risks insurance.

1. In case of a sale on C.I.F. terms marine insurance against " all risks ", including war risks, on the conditions customary on the date of the bill of lading shall be covered by the seller to the value of the contract price and, unless otherwise agreed, in the currency in which the sale is expressed to take place.
2. The goods shall be insured with an insurance company or companies of repute and, as regards war risks, at a premium no higher than generally charged at the time of shipment.
3. The goods shall be insured from warehouse to warehouse and, in addition thereto, for a period of fifteen days after discharge at the port of destination, as long as they are still stored in the shed of the carrying companies, and subject to the water-borne clause.
4. Any war risk premium in excess of $\frac{1}{2}\%$ shall be borne by the buyer.
5. In the case of a sale on C.&F. terms the marine insurance, including war risks, on the above-mentioned conditions shall be covered by the buyer immediately after conclusion of the contract to at least the value of the contract price and in the currency in which the purchase is expressed to take place. The buyer shall notify the seller in writing of all the particulars and, at the seller's request he shall give him in exchange for a receipt the valid policy or policies and/or certificate or certificates of insurance made out to bearer, and upon payment such document or documents shall be returned to the buyer in exchange for a receipt.
6. Amounts of claims to be paid shall be made payable in the U.S.A., the Netherlands, the United Kingdom or any other West-European country acceptable to the buyer.
7. If for any reason whatsoever the seller has an interest in the insurance, the buyer shall render every assistance to enable the seller to enforce any rights he may have against the insurers.

Article 3.

Tender

1. Not later than twentyfive days after the date of the bill of lading the seller shall tender to the buyer in Europe in writing : the approximate shipped quantity, indicating the name of the vessel, the date of the bill of lading, the number of bags and their marks.
2. If shipment has been made under a through bill of lading the seller shall moreover notify the buyer thereof in writing not later than three business days after the name of the home steamer has been communicated to him.

3. The buyer shall, however, accept the tender mentioned in the first paragraph and the notification mentioned in the second paragraph even after expiration of the periods mentioned therein, if he has not bought direct from the first seller and if the latter has made the tender or notification in the manner described above, and each subsequent seller has passed on such tender or notification to his buyer in writing forthwith and not later than twenty-four hours after receipt thereof.
4. Any error on the part of the shipping companies and any error which can be proved to be due to an error in telegraphic or teleprinter transmission shall be corrected forthwith the moment it becomes known.
5. In the event of the vessel arriving before receipt of the tender, any extra expenses arising therefrom shall be borne by the seller.
6. The buyer shall not raise objections to minor deviations in marks, provided the goods can be identified on arrival as forming part of the parcel tendered. Any expenses arising from such a difference between the marks of the goods and of those tendered shall be borne by the seller.

Article 4.

Delivery of
documents and
payment.

1. The term " documents " shall mean : a full set of " on board " bills of lading, together with the original or a copy of the charterparty if the bill of lading refers thereto, and/or delivery order or orders issued by the shipping companies or their agents, insurance policy and/or certificate (if sold on C.I.F. terms), invoice, weight note (if sold on shipping weight), or document or substituting document(s) of equivalent effect, and other documents if so agreed.
2. In respect of any missing copies of the documents the seller may furnish a banker's guarantee which - for the purpose of payment - shall replace the missing document or documents.
3. The buyer shall accept documents containing the White Star and/or any other generally accepted War Deviation Clauses.

Article 5.

Weighing and
taring.

1. In case of a sale on " delivered weight ", weighing and taring shall take place in such manner as is customary at the port of discharge within 10 days of the goods having been placed at the disposal of the buyer by or on the part of the carrier. The seller shall be entitled to superintend such weighing and taring or to cause the same to be superintended if he has both expressed his wish to this effect and appointed a superintendent in due time.
2. The tare shall be ascertained by emptying 2 externally sound and undamaged bags out of every 100 and by weighing the empty bags together; the average weight of these 2 bags shall be multiplied by 100 in order to determine the tare of those 100 bags.
3. Sweepings shall be accepted by the buyer (with an allowance for loss in value).
4. In case of slack and/or missing bags, their weight shall be calculated on the basis of the average weight of non-slack bags.
5. The final account shall be made up at contract price on the basis of gross weight ascertained as above, less tare.

Article 6.

Sampling.

1. Samples intended for examination by arbitrators shall be drawn by and at the expense of the buyer during discharge or within 10 days of the goods having been placed at the disposal of the buyer by or on the part of the carrier, under the supervision of the seller or the seller's superintendent; and such samples shall be drawn after bulking from 1% of the number of externally sound and undamaged bags. Such samples shall be sealed jointly by (the representatives of) the seller and the buyer. These samples shall bear the names of the seller and buyer, of the vessel, the quantity, the month of shipment, the country of origin and the port of shipment.
2. If the buyer fails to notify the seller or the seller's representative in good time, he shall forfeit any right of complaint.
3. The seller is entitled to have open samples drawn before weighing.
4. The buyer may proceed to seal samples without the seller or his superintendent being present only if the seller has failed to appoint a superintendent or if the or his superintendent, although duly notified by the buyer of the place and time of sampling, is not present at the place and time indicated. In such event the seller shall accept the sealed samples drawn as prescribed in the first paragraph of this article - but without supervision and co-sealing by the (superintendent of) seller.

Article 7.

Quality and condition.

If the buyer is of the opinion that the quality and/or condition does not satisfy the required standard, he shall not have the right to demand cancellation of the contract, but he may claim an allowance from the seller on that account within 14 days of the goods having been placed at the disposal of the buyer by or on the part of the carrier, such allowance to be mutually agreed.

If his claim on that account is dismissed by the seller, the buyer shall, on pain of loss of right, claim arbitration within 3 weeks of that dismissal.

Article 8.

Default.

1. If one of the parties fails to fulfil his obligations, the non-defaulting party may sell the goods or the documents or make a covering purchase, with the right to claim damages from the other party for the consequent loss.
2. Should formal notice of default be required, the non-defaulting party may avail himself of the right mentioned in the first paragraph of the present article after having called upon the other party by registered letter or by cable to perform his obligations within three business days and after those three business days having elapsed without such party then performing his obligations.
3. If the non-defaulting party does not avail himself of the right mentioned in the first paragraph of the present article, he shall remain entitled to claim the difference between contract price and market value as on the first business day following that of the default.

Article 9.

Insolvency.

If, prior to the fulfilment of the contract, either party suspends payment, applies for or is granted a moratorium in respect of his debts or is declared bankrupt, the other party may call upon him by registered letter to provide adequate security within three business days for fulfilment of the contract. Should such security not be provided the contract shall ipso iure be dissolved on the day on which the registered letter was dispatched and settlement shall take place at the market value on the first business day following that of dissolution of the contract.

Article 10.

Force Majeure.

1. If, by reason of force majeure, the goods or any part thereof have not been shipped within the stipulated period, the seller shall notify the buyer thereof by cable if possible, or in any case by airmail, within seven days after expiration of the period of shipment stated in the contract. The period of shipment shall then be extended by 30 days.
2. The buyer shall accept such notification even later than seven days after expiration of the period of shipment if he has not bought direct from the first seller and if the latter has duly sent the notification mentioned in the foregoing paragraph and each subsequent seller has passed the same on to his buyer within twenty-four hours of receipt.
3. If the delay continues for more than thirty days the contract shall be cancelled without any settlement of the price difference or otherwise taking place.
4. The consequences of force majeure either affecting the seller or the buyer, not provided for above, shall be determined by arbitrators, if necessary.
5. Any party claiming force majeure shall at the request of the other party, produce without delay adequate documentary evidence to prove the correctness of his claim.

Article 11.

Circle.

1. If a seller repurchases the same quantity or part thereof from his buyer or from a subsequent buyer, a circle shall have been established in respect of the quantity so repurchased and the provisions or articles 8 and 9 shall not apply. If the quantity is not tendered or if it has been tendered and the documents are not delivered, the invoice, based on the quantity contracted for, shall be settled between buyers and sellers in the circle, each buyer paying his seller the sum whereby the seller's invoice exceeds the lowest amount in the circle; the margin of 5% more or less shall then be left out of account. Such settlement shall be made on the last business day of the period of tendering mentioned in article 3, paragraph 1.
2. If any of the contracting parties in the circle suspends payment, or applies for a moratorium in respect of his debts, or is declared bankrupt, the invoice value of the quantity based on the market value on the last business day of the period of tendering mentioned in article 3, paragraph 1, shall be taken as the basis for settlement instead of the lowest invoice price in the circle; if the parties fail to reach agreement on the foregoing, the market value on that day shall be fixed by arbitration.
3. Non-delivery of documents in a circle shall not be regarded as default.

Article 12.

Brokerage. Brokerage shall be payable even though delivery is not made. Only when the contract is not performed owing to insolvency of the buyer or because of force majeure, brokerage shall not be due.

Article 13.

Days
Periods. If a day, on which according to this contract an act in execution thereof has to be performed, falls on, or a period, within which according to this contract an act in execution thereof has to be performed, ends on a Saturday, Sunday or a generally recognised holiday at the place, where such act has to be performed, the following business day shall take the place of that day. This clause does not apply to periods of shipment. Business hours to be from 9.00 till 17.00 hours M.E.T.

Article 14.

Dutch Law. This contract and any further agreements arising therefrom shall be subject to the provision of Netherlands' Law.

Article 15.

Arbitration.

1. Any dispute arising out of this contract, as well as any dispute arising out of further agreements resulting from this contract, shall be exclusively referred to arbitration in accordance with the Rules for Arbitration of the Netherlands' Oils, Fats and Oilseeds Trade Association, Groundnuts Division, Rotterdam, in force on the date of this contract.
2. Persons through whose intermediary this contract was concluded and who signed the sold and/or bought notes shall submit to the aforementioned arbitration any dispute which may arise either out of this contract or out of their intermediary. They may be called upon as third parties in a dispute between the buyer and the seller.
3. A dispute shall also then be deemed to exist, if one of the parties fails to pay a claim of the other party without contesting the correctness thereof.
4. Without prejudice to the provisions of article 7, application for arbitration shall, on pain of loss of rights, be made by letter or by telegram to the secretary of the Association within 3 months after the day on which the dispute has arisen, exceptional cases, at the discretion of arbitrators, excepted. The party applying for arbitration shall notify the other party of the application at the same time. In a string and in a circle applications for arbitration shall also be admitted after expiry of the aforementioned period, provided that the first application was made in good time and the subsequent applications/notices were made/passed on immediately upon receipt of the notice of the preceding application.