

## F: INDUSTRY-STANDARD CONDITIONS

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Gafta No 23: Contract for pulses for human consumption  
(bulk/bags; FOB terms)<sup>1</sup>

GAFTA No. 23

CONTRACT FOR PULSES FOR HUMAN CONSUMPTION  
IN BULK OR BAGS  
FOB TERMS

\* delete/specify as applicable

Date .....

SELLERS .....

INTERVENING AS BROKERS .....

BUYERS .....

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

1. GOODS- .....

2. **PACKING** - If in bags, in new and/or second-hand bags of suitable strength to withstand with ordinary wear and tear to port of destination. Bags of each mark shall be of uniform weight and shall be properly marked. If in bulk, Sellers shall have the option of shipping up to 10% in bags for safe stowage. Such bags to be taken and paid for as goods.

3. **QUANTITY** .....  
5% more or less at Buyers' option. In the event of the quantity contracted for being for a full and complete cargo and/or cargoes the margin of contract quantity shall be 10% more or less, excess or deficiency over 5% shall be settled at the FOB price on date of last bill of lading; value shall be fixed by arbitration unless mutually agreed. In the event of more than one delivery being made each delivery shall be considered a separate contract, but the margin on the mean quantity sold shall not be affected thereby.

4. **PRICE**- at ..... per tonne of 1000 kilograms  
delivered Free on Board Buyers' Vessel(s) at .....

5. **BROKERAGE** ..... per tonne, to be paid by Sellers on the mean contract quantity, goods lost or not lost, contract fulfilled or not fulfilled unless such non-fulfilment is due to the cancellation of the contract under the terms of the Prohibition Clause. Brokerage shall be due on the day shipping documents are exchanged, or if the goods are not delivered then the brokerage shall be due on the 30th consecutive day after the last day for delivery.

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## 6. QUALITY

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## 6. QUALITY-

## \* Specifications

Any excess or deficiency as the case may be, shall be allowed for by Sellers at contract price.

## \* Certificate

..... to be certified by an independent internationally recognised body at origin. Should Sellers fail to provide a certificate which is independent; (eg those based upon samples not independently drawn, or those which fail to identify the goods shipped with the goods inspected), Buyers have the option to instruct their representatives to draw and seal delivery samples within 10 days of arrival, for the purposes of re-grading and/or analysis. Sellers' representatives to be in attendance at sampling when duly appointed immediately after receipt of notice from Buyers of their intention to sample. In such case Buyers and Sellers agree to accept the result of regrading/analysis. Charges for sampling, re-grading and/or analysis to be borne half by Buyers and half by Sellers.

\* F.A.Q. (fair average quality) of the season's shipments at time and place of loading, to be assessed upon the basis of, and by comparison with the GAFTA F.A.Q. Standard of the month during which the bill of lading is dated. In the event of no F.A.Q. Standard being established by the Association, the Arbitrator(s) shall in his/their discretion decide what is the fair average quality. An average sample of the delivery shall be taken and sealed jointly at port of loading by the Representatives of the Shipper and the Representatives of the Buyers and shall be forwarded immediately to the Association for the purpose of establishing the F.A.Q. Standard. The expenses of such sampling and forwarding shall be paid half by the Sellers and half by the Buyers. Place of loading under this contract shall be understood as the port or group of ports adopted by the appointed Standards Committee in making the Standard. If the difference between the delivery and the F.A.Q. Standard shall not amount to 0.50% on contract price, no allowance for quality shall be due; otherwise the Buyers shall be entitled to the full difference in value.

\* Sample at time and place of shipment about as per sealed sample marked.....

in possession of ..... the word 'about' when referring to quality shall mean the equivalent of 0.50% on contract price.

The goods are not warranted free from defect, rendering the same unmerchantable, which would not be apparent on reasonable examination, any statute or rule of law to the contrary notwithstanding.

**Condition**-Goods must be sound, uniform, free from live, and practically free from dead insect infestation. Delivery shall be made in good condition.

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## 7. PERIOD OF DELIVERY

Delivery during-..... at Buyers' call.

**Nomination of Vessel**- Buyers shall serve not less than..... consecutive days notice of the name and probable readiness date of the vessel and the estimated tonnage required.

Buyers have the right to substitute the nominated vessel, but in any event the original delivery period and any extension shall not be affected thereby. Provided the vessel is presented at the loading port in readiness to load within the delivery

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period, Sellers shall if necessary complete loading after the delivery period and carrying charges shall not apply. In case of re-sales a provisional notice shall be passed on without delay, where possible, by telephone and confirmed on the same day in accordance with the Notices Clause.

8. **LOADING** - Vessel(s) to load in accordance with the custom of the port of loading unless otherwise stipulated. Bill of lading shall be considered proof of delivery in the absence of evidence to the contrary.

9. **SHIP'S CLASSIFICATION**- Shipment to be made by:-

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

(b) Coaster(s), mechanically self-propelled vessel(s), suitable for the carriage of the contract goods, excluding tankers and vessels which are either classified in Lloyd's Register or described in Lloyd's Shipping Index as 'Ore/Oil' Vessels.

Buyers to ensure that the vessel(s) hold(s) are clean, easily accessible and if necessary, cargo duly protected.

10. **EXTENSION OF DELIVERY**- The contract period of delivery shall be extended by an additional period of not more than 30 consecutive days, provided that Buyers serve notice claiming extension not later than the next business day following the last day of the delivery period. In this event Sellers shall carry the goods for Buyers' account and all charges for storage, interest, insurance and other such normal carrying expenses shall be for Buyers' account, unless the vessel presents in readiness to load.

Any differences in export duties, taxes, levies etc, between those applying during the original delivery period and those applying during the period of extension, shall be for the account of Buyers. If required by Buyers, Sellers shall produce evidence of the amounts paid. In such cases the Duties, Taxes, Levies Clause shall not apply.

Should Buyers fail to present a vessel in readiness to load under the extension period, Sellers shall have the option of declaring Buyers to be in default, or shall be entitled to demand payment at the contract price plus such charges as stated above, less current FOB charges, against warehouse warrants and the tender of such warehouse warrants shall be considered complete delivery of the contract on the part of Sellers.

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11. **EXPORT LICENCE**- if required, to be obtained by Sellers.

12. **PAYMENT**-

(a) By cash in .....

\*(i) in exchange for and on presentation of shipping documents.

\*\* (ii) by irrevocable Letter of Credit to be made available to Sellers by .....

(b) 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 of Buyers furnish an approved guarantee in respect thereto.

(c) Amounts payable under this contract shall be settled without delay. If not so settled, either party may notify the other that a dispute has arisen and serve a notice stating his intention to refer the dispute to arbitration in accordance with the Arbitration Rules.

(d) **Interest** appropriate to mutually agreed arbitration. C the terms of t not override t

13. **DUTIES, T** or future, in shipment nam

14. **WEIGHING** deemed to be as per GAFT/ Buyers have t

15. **SAMPLING** terms and co incorporated i The parties s sampling of t otherwise ag Analysts.

16. **INSURANC** detail in GAF

(a) Cargo with 3%  
(b) War Cl  
(c) Strikes, Clauses

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prior to expec  
Sellers shall h

17. **PROHIBIT** case of any ex the country of herein is/are restriction sh extent of such or by any othe portion there the reasons tl cancellation.

(d) **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-clause (a).

13. **DUTIES, TAXES, LEVIES, ETC.**- All export duties, taxes, levies, etc., present or future, in country of origin or of the territory where the port or ports of shipment named herein is/are situate, shall be for Sellers' account.

14. **WEIGHING**- the terms and conditions of GAFTA Weighing Rules No. 123 are deemed to be incorporated into this contract. Final at time and place of loading, as per GAFTA registered superintendent certificate at Sellers' choice and expense. Buyers have the right to attend at loading.

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15. **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 time and place of loading. The parties shall appoint superintendents, for the purposes of supervision and sampling of the goods, from the GAFTA Register of Superintendents. Unless otherwise agreed, analysts shall be appointed from the GAFTA Register of Analysts.

16. **INSURANCE**- On terms not less favourable than those set out hereunder and in detail in GAFTA Insurance Terms No. 72: -

- (a) Cargo Clauses (WA) with average payable, - Section 2 of Form 72  
with 3% franchise or better terms
- (b) War Clauses (Cargo) - Section 4 of Form 72
- (c) Strikes, Riots and Civil Commotions - Section 5 of Form 72  
Clauses (Cargo)

To be effected by Buyers with first class underwriters and/or approved companies. Buyers shall supply Sellers with confirmation thereof at least 5 consecutive days prior to expected readiness of vessel(s). If Buyers fail to provide such confirmation, Sellers shall have the right to place such insurance at Buyers' risk and expense.

17. **PROHIBITION**- In case of prohibition of export, blockade or hostilities or in case of any executive or legislative act done by or on behalf of the government of the country of origin or of the territory where the port or ports of shipment named herein is/are situate, restricting export, whether partially or otherwise, any such restriction shall be deemed by both parties to apply to this contract and to the extent of such total or partial restriction to prevent fulfilment whether by shipment or by any other means whatsoever and to that extent this contract or any unfulfilled portion thereof shall be cancelled. Sellers shall advise Buyers without delay with the reasons therefor and, if required, Sellers must produce proof to justify the cancellation.