

COPENHAGEN CONTRACT

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**GRAIN
CIF**

Transactions in grain
"including freight and insurance"

In force from 1. of june 2021

Contract No. : Date:

Seller :

Buyer :

Agent/Broker :

Quantity and
goods :

Quality :

Price :

To ship/
deliver :

Delivery period :

Payment :

Commission :

Special
terms :

Arbitration: The Copenhagen Adjudication and Arbitration Committee for the Grain and Feedstuff Trade, Børsen, DK-1217 Copenhagen K., (hereinafter called "the Arbitration Committee") cf. Clause 21. The Buyer and the Seller shall otherwise be bound by the General Rules hereinafter mentioned which are to be regarded as an integral part of this contract unless restricted or cancelled by additions or special terms.

Seller

Agent/Broker

Buyer

GENERAL RULES

- a) In this Contract, business days shall be understood as Danish business days, except Saturdays and December 24 and 31. Days shall be understood as calendar days.
- b) Notices received on a non-business day or after 4 p.m. on a business day shall be deemed to have been received on the following business day.
- c) Where this Contract indicates time limits in terms of business days/days, the day on which the Contract is concluded and the day on which notices and the like are received shall not be included for the purpose of calculating time limits, unless otherwise specifically stated.
- d) Commission shall be paid by the Seller, even when the Contract is not performed.
- e) In case of discrepancy the Danish version shall be binding.

1 QUANTITY

- a) If the quantity has been sold as a cargo, the vessel may not load any goods other than those contracted for. The Seller shall be entitled to ship the quantity which the vessel can load, up to 10% more or less than the quantity contracted for. If the quantity is indicated by two figures, e.g. 400/500 tonnes, the Seller has the option to choose any quantity within the stipulated limits.
- b) If the quantity has been sold as a consignment, the Seller shall be entitled to ship up to 10% more than the quantity contracted for. If shipment is effected in several consignments, the said margin shall only apply to the last shipment. If the quantity is indicated by two figures, e.g. 400/500 tonnes, the Seller has the option to choose any quantity within the stipulated limits.
- c) Any cargo/consignment delivered in excess of or less than the contract quantity or the mean quantity, respectively, shall be settled pro et contra at the market price prevailing on the date of shipment and on the basis of the discharged weight after completion of discharge.
- d) In the event that the contract allows more than one shipment, each shipment shall be considered a separate contract.

2 SALE BY SAMPLE - OMITTED

3 DESTINATION

The Buyer can request the variety earliest 15 days before the shipping period.

The Seller can stipulate designation of port of destination five business days at the earliest before the commencement of the term. The Buyer shall state the name of the port of destination and the Seller shall state the name of variety, within two business days after the demand has been made. In the event that the Buyer does not state the name of the port of destination, and the Seller does not state the variety in due time, the Seller/Buyer shall be entitled to rely on Clause 20, after demonstrably having pressed the Buyer/Seller once after the expiry of the stated time limit for the name of the port/variety, provided that the name of the port of destination/variety is not stated by noon on the subsequent business day. Once a destination/variety has been nominated, it cannot be withdrawn.

4 VESSEL AND SHIPMENT

- a) The Seller shall ship the goods in bulk by a good, seaworthy vessel fit for the transport of grain and for which insurance can be taken out at a normal premium.
- b) Immediate shipment shall be understood as shipment within three business days, and prompt shipment as shipment within 10 business days.
- c) Where shipment in the first or second half of the month is stipulated, in months of 30 days, the 15th and 16th day shall be the last and the first day of the period, respectively. In months of 31 days, the 16th day shall be the last and the first day, respectively, and in February, the 15th day shall always be the last and the first day, respectively.
- d) The Seller is entitled to an extension of up to three business days against paying an allowance to the Buyer equal to 0.25% of the contract price per day, provided that he informs the Buyer hereof not later than on the last day of the term of delivery.
- e) Loading may not commence before the contract period.
- f) The bill of lading shall state that the goods have been received on board. The goods shipped shall be stowed below deck.

5 APPROPRIATION

As soon as possible after loading has been completed and not later than on the first business day following the date of the bill of lading, the Seller shall notify the Buyer thereof. In the event of resale, the Buyer shall pass on such notice to his buyer without delay. Failure to give such notice of appropriation shall not entitle the Buyer to cancel the contract, but he may claim compensation for any substantiated loss and any extra expenses incurred thereby.

A vessel once appropriated cannot be withdrawn.

6 DISCHARGE

- a) Discharge shall be effected for the account of the Buyer and shall be performed within ordinary working hours in keeping with the customary procedures in the port in question.
- b) A vessel can only tender notice of readiness for discharge on business days. In the event that the vessel tenders notice of readiness for discharge before noon, the laytime shall commence at 2 p.m. on the same business day. If the vessel tenders notice of readiness for discharge after noon - however given during office hours - laytime shall

commence at 7 a.m. on the next business day. Time actually used before commencement of laytime shall count. The time from Friday at 5 p.m. - and 5 p.m. on a business day preceding a holiday - until Monday at 7 a.m. - or 7 a.m. on the following business day is to be excepted, unless used, in which event time actually used shall count, or if the agreed discharge time has expired. The Seller is entitled to demand discharge to be effected on overtime, provided that this is possible, against payment of the extra charges involved.

7 WARRANTY AS TO WEIGHT

- a) The Seller warrants that the invoiced metric weight is discharged at the destination. The Buyer shall provide an inspection report by an accredited entity and shall pay the expenses incidental to the weighing. At other destinations, the Buyer shall provide accredited/recognised weight document and shall pay the expenses incidental to the weighing. Any excess or deficiency shall be calculated as soon as possible after completion of discharge and adjustment (if required). In the event of any damage or loss sustained at sea which is assumed to have caused an increase of the loaded quantity, no allowance for the excess shall be paid, and likewise, no allowance shall be paid for any deficiency when in the event of damage or loss at sea the quantity is assumed to have been reduced. However, the Seller is responsible for any normal deficiency, provided that the insurance company does not cover such deficiency.
- b) When two or more buyers receive goods shipped together or which are not sufficiently separated and discharged in one or more ports, each of them shall share in any damaged goods, sweepings, etc., as well as in any excess or deficiency in the quantity delivered in proportion to the size of their shipments. Settlement of weight and damaged goods shall be effected in accordance with the pro-rata apportionment rules relating to collected goods by DAKOFO.
- c) The end-buyer shall send to his seller a final invoice accompanied by an accredited inspection report/recognised weight document, or a copy of the final pro-rata settlement, not later than 30 days after completion of discharge, or 30 days after the final pro-rata settlement has been made among the consignees. Any intermediate party shall pass on the final invoice without delay. The amount of the final invoice shall be settled no later than 14 days after its receipt by the first seller (the supplier), unless special circumstances prevail.

8 WARRANTY REGARDING QUALITY, CONDITION AND ANALYSIS

- a) The Seller shall supply good and sound goods, and warrants the quality and condition of the goods supplied, and shall furnish the agreed analysis warranties discharged at the destination.
- b) If the Buyer accepts unloading of the goods without samples sealed (with wax or lead), the goods shall be deemed to have been accepted without complaint.
- c) In the event that the Buyer wishes to make use of his right to reject the goods under Clause 17 b and Clause 21 e 2, the goods shall be stored and kept separately in a sealed room.

9 SUPERINTENDENCE, SAMPLING AND FORWARDING OF SAMPLES AND ANALYSIS CERTIFICATES

- a) At the Buyer's request, the parties or their representatives will jointly draw samples, as exactly as possible, such samples to be sealed (with wax or lead) and submitted for analysis and assessment by the Arbitration Committee (arbitration).
- b) For the purpose of analysis and arbitration, the following samples shall be sealed (with wax or lead) and numbered (sample size approx. 1 kg):
 - Two samples to be analysed for moisture and screening.
 - Two samples to be analysed for all other warranties.
 - Two samples for use by the Arbitration Committee (to be marked: arbitration sample).

Regarding samples to be examined for natural weight, see Clause 15.

- c) The samples are to be drawn in step with the goods being discharged.
- d) The samples shall be filled into clean, odourless, tight bags of linen or similar material. However, samples drawn for testing of moisture and screening shall be filled into clean, air-tight bottles, plastic bags or other suitable containers. All samples shall be sealed by the parties jointly.
- e) In the event that the Seller is not represented, or his representative refuses to draw samples or to ascertain the natural weight, or in case of disagreement between the Buyer and the representative on the sampling or the ascertaining of the weight, two independent experts appointed by the Danish Chamber of Commerce shall do so.
- f) With respect to lots weighing between 500 and 2,000 tonnes, sealed samples shall be taken of each half of the approximate quantity if either party so demands. With respect to lots weighing more than 2,000 tonnes, samples shall be sealed for each commenced 1,000 tonnes if so demanded by either party. The weighted average of the analyses shall form the basis or the final settlement.
- g) The samples drawn shall be forwarded/delivered direct to Handelsstandens Inspektør Kontor (HIK), Danneskiold-Samsøes Allé 9, DK-1434 København K., for storage for use in connection with any first analysis, second analysis, and for use by the Arbitration Committee. However, the first set of samples for analysis can be forwarded/delivered direct to the laboratory. In the event or reported arbitrage concerning condition/quality the first arbitrage sample/the first set of arbitrage samples can be forwarded/delivered direct to the Arbitration Committee against receipt.
- h) Samples shall be forwarded/delivered not later than the first business day after the samples have been sealed. In case of samples forwarded/delivered from abroad, the samples shall be delivered not later than two business days after they have been sealed.

- i. A request for analysis for moisture, screening and/or germinative energy/germinative capacity shall be forwarded/delivered within the time limit set out in Clause 9 h. For all other warranties, testing shall be requested within seven business days after the samples have been sealed.
- j. The original analysis certificate shall be passed on to the other party not later than five business days after receipt.
- k. Not later than 5 business days after receipt of the original analysis certificate(s) for the shipment concerned, both the Buyer and the Seller shall be entitled to request a second analysis to be made of sample No. 2. At the same time, the other party shall be duly notified hereof. The second analysis can be requested before the result of the first analysis is available. The average of the first and second analyses shall form the basis for the final settlement. With respect to lots from which more than one sample for analysis has been sealed any second analysis shall be made of all partial samples, and the weighted average of all samples shall form the basis for the final settlement.

10 INSURANCE

- a. In the event of sales which include freight and insurance, the Seller shall furnish a marine and war-risk insurance policy/policies or certificate(s) issued by a recognised insurance company for the invoice amount plus 2 % Where the freight is payable regardless of whether the vessel is lost or not, the insurance must also cover the amount of freight. Any expenses for war-risk insurance exceeding 0.25 % shall be paid by the Buyer. The policy/policies or certificate(s) shall be issued according to general rules and need only cover damage caused by stranding, fire, ice, collision and war ("Institute Cargo Clauses(C)" or better terms). In the event of total loss, any amount by which the policy/policies or certificate(s) exceeds the invoice amount plus 2 % shall accrue to the Seller.
- b. In the event of sales which do not include insurance, the Seller shall procure that the name of the vessel be communicated to the Buyer in due time for him to be able to take out insurance before the loading is commenced. At the Seller's request, the Buyer shall furnish him with a statement issued by a recognised insurance company confirming that marine and war-risk insurance has been duly effected before delivery of unpaid goods is commenced.

11 ICE CLAUSE

In the event of a designated loading port being inaccessible by reason of ice or prevents the vessel – of which notice has been given to the Buyer, but which has not yet been loaded - from putting out to sea, and the Seller invokes this obstruction, the period of delivery shall be extended by up to 14 days after the first open water to/from the port concerned – however, not by more than the term of the delivery period and not by less than eight days.

12 STRING

- a) This provision applies where three or more Sellers/Buyers are involved and the description of goods, warranties, places of analysis and the term coincide, or where the parties agree on terms that may differ in relation to the initial Seller and the end-Buyer to the effect that the parties are prepared to settle any price differential with their direct contracting party.
- b) 1. In the event that it is ascertained that goods covered by Clause 12(a) are referred to in a given contract or part of a contract, a formal string can be established, and, accordingly, the contract can be performed pursuant to this Contract directly between the initial Seller and the end-Buyer.
2. A string will be formal for the parties who have accepted it and the terms governing it, apart from such cases where Clause 19 is relied upon.
3. All parties making up the formal string shall agree on the settlement of any price differential, and payment shall be effected within 10 days after receipt of invoice.
- c) In the event that a formal string cannot be established, the time limits set out in this Contract with respect to matters relating to analysis and arbitration will be deemed to have been kept if the parties have forthwith passed on notices served on them with respect to these matters.

13 CIRCLE

- a. In the event that a Seller repurchases goods from his Buyer or from any subsequent buyer of the same goods or part thereof, a circle shall be deemed to exist, and the provisions of Clause 20 will lapse.
- b. All parties involved shall contribute to ascertaining the circle, and when its existence has been ascertained, it shall be binding on all parties.
- c. In the event that the goods have not been delivered, settlement shall be effected between each buyer and his seller on the basis of the contracted quantity or mean quantity, respectively, by payment of the amount by which the Seller's invoice amount exceeds the lowest invoice amount within the circle.
- d. In the event that delivery has been effected, but the documents have not yet been presented, settlement shall be effected on the basis of the weight supplied, and in other respects according to Clause 13 c.
- e. Payment shall be effected not later than 10 days after the expiry of the term, or - should the circle not be ascertained before the expiry of the term - not later than 10 days after the circle is ascertained.
- f. In the event that the provisions on suspension of payments, etc. laid down in Clause 19 are relied upon within the aforesaid term of payment, settlement shall be made pro et contra between the parties on the basis of the difference between the contract prices and the market price prevailing on the date for suspension of payments, etc. In the event that

the parties cannot agree on the market price as aforesaid, such price shall be determined by the Arbitration Committee.

14 PAYMENT

Payment shall be effected not later than the day following the presentation of a complete set of bills of lading and invoice, and, in the case of sale including insurance, insurance policy/certificate. Where the day(s) after the presentation is(are) bank holiday(s), the term shall be extended to the following day. If payment is not effected within this time limit without just cause, the Buyer shall compensate the Seller for any loss occasioned thereby, and after having granted the Buyer a further extension of 24 hours (non-business days and bank holidays not included) the Seller shall be entitled to dispose of the documents and to exercise his right according to Clause 20.

15 NATURAL WEIGHT

- a) Where the parties fail to agree on the natural weight, the parties or their representatives shall jointly draw average samples (each weighing approx. 2 kg) upon delivery and seal (with wax or lead) such samples in plastic bags or the like, cf. Clause 6 (a) and (c-j). For transactions based on natural weight by hectolitre, the natural weight shall be ascertained by a recognised Danish laboratory.
- b) Where the natural weight is indicated by two figures, e.g. 69/70 kilos per hectolitre, and the ascertained weight is below the lower figure, the mean figure shall form the basis for settlement.
- c) The Seller shall compensate the Buyer for any deficiency in the warranted natural weight (fractions in proportion) based on the contract price according to the following scale:
The deficiency being
up to 2 kg.....allowance 0.75 % for each kilo deficient
over 2 kg, but not more than 3 kg,allowance 1.00 % for each kilo deficient
Any deficiency exceeding this to be compensated at the discretion of the Arbitration Committee.

16 PLACES OF ANALYSIS AND ANALYSIS ALLOWANCES

- a) Places of analysis:
Purity:
• Malting barley: Scandinavian Brewery Laboratory, Ladelundvej 85, DK-6600 Vejens
• Other grain: Recognised Danish laboratory.

Germinative energy:
• Malting barley: Scandinavian Brewery Laboratory, Aubry according to the MEBAK method (5 days and nights).

Germinative capacity:
• Malting barley: Scandinavian Brewery Laboratory according to EBC-Analytica.

Moisture:
• Malting barley: First analysis: Scandinavian Brewery Laboratory according to EBC-Analytica.
Second analysis: Scandinavian Brewery Laboratory or other recognised Danish laboratory analysing according to EBC-Analytica.
• Other grain: Recognised Danish laboratory according to the EU-method.

Screening:
• Malting barley: Scandinavian Brewery Laboratory according to the MEBAK method.

Protein:
• Malting barley: Scandinavian Brewery Laboratory according to EBC-Analytica.
• Other grain: Recognised Danish laboratory.

Purity of variety / Winter barley content:
• Malting barley: To be commissioned from Scandinavian Brewery Laboratory.
The result of any second analysis will form the basis for the final settlement. Both analyses to be performed on the first set of samples.

Other analyses: Recognised Danish laboratory.
- b) Analysing for the germination energy of malting barley not to be effected prior to November 15. Based on dormancy, the Arbitration Committee may determine a later date for assessing germination energy for the crop year in question.
- c) The expenses connected with storing the samples and analysing them shall be borne by the party requesting the analysis. However, the Seller shall pay all expenses connected with results of analyses entitling the Buyer to an allowance.
- d) Analysis allowances:
In the event of deviations from the warranties given in the contract, the Seller shall grant the Buyer an allowance based on the contract price (fractions in proportion) on the following scale, and above that as determined by the Arbitration Committee:
1. Purity:For each 1% deficiency 1% allowance.
2a. Germinative energy in malting barley: The deficiency in the warranted germinative energy amounts to

- up to 1%..... 0.50% allowance for each 1% over 1%, but not more than 2%.... 0.75% allowance for each 1% over 2%: Reference is made to Clause 17 (b).
- 2b. Germinative capacity in malting barley/other grain: The deficiency in the warranted germinative capacity amounts to
 - up to 1%..... 0.50% allowance for each 1% over 1%, but not more than 2%.... 0.75% allowance for each 1% over 2%, but not more than 3% 1.00% allowance for each 1%, over 3%, but not more than 4%.... 1.10% allowance for each 1% over 4%, but not more than 5% 1.20% allowance for each 1%, over 5%: Reference is made to Clause 17 (b).
- 3. Moisture: For any excess in the warranted moisture content
 - up to 1%..... 2.00% allowance for each 1% over 1%, but not more than 2%.... 2.50% allowance for each 1% over 2%: Reference is made to Clause 17 (b).
- 4. Screening: For 1st, 2nd and 4th sorting in malting barley, the following applies:
 - For any shortage in the 1st and 2nd sorting (not passing through 2.5 mm screen): 0.25% allowance for each 1% For any excess in the 4th sorting (passing through 2.2 mm screen): 0.25% allowance for each 1% Where the shortage in the 1st and 2nd sorting and/or the excess in the 4th sorting exceeds 5%, reference is made to Clause 17 (b).
- 5. Protein in dry matter (N x 6.25): If the excess amount in malting barley constitutes
 - up to 1%..... 1.00% allowance for each 1% over 1%, but not more than 1.5%. 1.35% allowance for each 1% over 1.5%: Reference is made to Clause 17 (b).
- 6. Purity of variety: If delivery of a specific variety of malting barley has been agreed upon, the Seller is obliged to supply a malting barley containing 92% of this variety. If this limit is not complied with, a 20% allowance is payable for each 1% down to 87%, on the price difference on the day of loading between faq malting barley of the same origin and of the agreed variety. For purities of less than 87%, reference is made to Clause 17 (b).
- 7. Content of winter barley in malting barley: The Seller is obliged to supply goods containing 96% spring barley. If the content of spring barley amounts to
 - less than 96%, but not less than 93%: 0.50% allowance for each 1%
 - less than 93%, but not less than 92%: 0.60% allowance for each 1%
 - under 92%: Reference is made to Clause 17 (b).

17 MAXIMUM/MINIMUM WARRANTIES AND REJECTION

- a) In the event that the words maximum and/or minimum are used in connection with a warranty, the rights set out in Clause 17 (b) shall accrue to the Buyer if the warranty is not complied with.
- b) The Buyer has the option to reject the goods, or to accept the goods with the allowance fixed by the Arbitration Committee. The option taken by the Buyer shall be notified forthwith to the Seller.
- c) Where the Buyer exercises his right to reject goods, the Seller shall be entitled to a second delivery, cf. Clause 17(e)(3). Clause 21(e)(3).

18 PREVENTION FROM SHIPMENT/EFFECTING DELIVERY

- a) In the event of notified port of loading, or if loading has been commenced and due shipment/delivery is prevented at the place of loading owing to strike or lockout, the Seller shall forthwith advise the Buyer, and the delivery period shall be extended by the same period of time for which the strike or lockout has been ongoing, however not more than 30 days (the number of days for which the strike or lockout has lasted before the beginning of the term of delivery shall not be included). Should the delay exceed 30 days, and if the extension has expired in the meantime, the Contract shall be cancelled for the quantity in question.
- b) In the event that war, prohibition or blockade should prevent the Buyer/Seller from taking/effecting delivery, this Contract or any unperformed part thereof shall be cancelled.

19 BANKRUPTCY AND RECONSTRUCTION, ETC.

- a) In the event that one of the contracting parties is declared bankrupt or taken under reconstruction, the other party shall - immediately after having learned hereof - request the other party to furnish adequate security for contract performance, and - if such security is not furnished within two business days - he has the option either of effecting the necessary purchase of goods in replacement/compulsory sale according to Clause 20 c, such purchase/sale however only to be effected on the first business day after the expiry of the aforesaid time-limit, or having the value of the goods assessed by the Arbitration Committee, after which the resulting price differential shall be settled pro et contra.
- b) The same provision shall apply, where after the performance of the transaction the party in question - in connection with the levying of execution - is found to lack the funds necessary to pay his debts, or if his financial circumstances in other respects have turned out to be so that the party in question must be assumed to be unable to perform the contract.

20 NON-PERFORMANCE

In the event of non-performance, the non-defaulting party has the option of

- a) considering the contract as cancelled; or
- b) letting the Arbitration Committee determine the value of the goods, cf. Clause 21; or

- c) 1. purchasing goods in replacement/effecting compulsory sale and claiming that the defaulting party pay any price differential as well as any justified costs.
- 2. The defaulting party shall be notified forthwith of any purchase of goods in replacement/compulsory sale.
- 3. Purchase of goods in replacement/compulsory sale shall be effected through a recognised agent/broker not later than two business days after the defaulting party has received due notification, and on precisely the same terms and conditions as are stipulated in the original contract with the exception of the term for shipment/effecting delivery in following events: In the case of purchase of goods in replacement/compulsory sale made within the time limit, the term for shipment/effecting delivery shall include the remainder of the term stipulated in the original contract, however not less than 5 business days. In the case of purchase of goods in replacement/compulsory sale after the end of the term, the term for shipment/effecting delivery shall constitute 5 business days.
- d) In the event that purchase of goods in replacement/compulsory sale cannot be effected within the time limit referred to in Clause 20(c)(3), the option referred to in Clause 20(b) can still be exercised.

21 ARBITRATION

- a) Any dispute arising out of or in connection with the transaction hereunder and this Contract shall always be finally settled by the Arbitration Committee in keeping with its rules in force from time to time, a copy of which is available from the Danish Chamber of Commerce. In the event of failure to honour the award of the Arbitration Committee, the Arbitration Committee shall be entitled to placard the award. If the case is dismissed, should the President and Vice-presidents of the Arbitration Committee find that the dispute is not suitable for hearing by the Committee; the parties are at liberty to bring the matter before the courts.
- b) Notice of arbitration to the opposing party:
 - The opposing party shall be notified of arbitration by forwarding or delivery of letter, by fax or email within the following time limits:
 - 1. With respect to condition: Not later than the day on which the Statement of Claim is submitted to the Arbitration Committee, cf. Clause 21(c)(1).
 - 2. With respect to quality: Not later than the day on which the Statement of Claim is submitted to the Arbitration Committee, cf. Clause 21(c)(2).
 - 3. In all other cases: Not later than 56 days after the date of delivery or

the expiry of the term of delivery or receiving declaration of non-performance, respectively; however, notice of arbitration can always be given in cases relating to analyses within 21 days of the date of issue of the last analysis certificate.

- c) Submission of Statement of Claim to the Arbitration Committee:
 - The letter of complaint, which must always be signed, and related exhibits may be submitted by hand, by ordinary mail or be sent by fax/email provided the original letter of complaint is simultaneously delivered by hand or by ordinary mail. The Committee may request submission of original documents copies of which may have been used as exhibits. The letter of complaint must be followed by:
 - a) Documentation for the agreement concerning hearing before the Committee, (contract, agreement or other basis of agreement).
 - b) Other contract bases relied upon.
 - c) A selling sample in so far as it is referred to at the conclusion of the deal and is necessary for the assessment.

- d) Any other required documents and samples taken in the prescribed manner.

The letter of complaint must contain the full names and addresses of the parties, one or more precisely formulated claims or assertions about which the Committee's award is requested, a presentation of the factual and legal circumstances upon which the claims or assertions rely, including a precise presentation of any asserted defects and a statement of the documents and other evidence relied upon by the plaintiff.

The letter of arbitration must be forwarded/delivered to the Arbitration Committee within the following time limits:

- 1. With respect to condition: Not later than the first business day after the samples have been forwarded/delivered.
- 2. With respect to quality: Not later than 21 days after the samples have been forwarded/delivered.
- 3. In all other cases: Not later than 28 days after the opposing party has been notified of arbitration proceedings.
- d) In exceptional cases, the President and Vice-presidents of the Arbitration Committee may disregard the time limits set out in Clause 21(b) and (c).
- e) Award:

- 1. If the Arbitration Committee declares that the goods are deficient in terms of quality or condition - not including deficiencies in natural weight and analysis - and where such deficiencies do not exceed in aggregate 5% of the contract price - the Buyer shall accept the goods with the allowance fixed by the Arbitration Committee.
- 2. If, on the other hand, the Arbitration Committee declares that the goods are not sound or are deficient in terms of quality and/or condition - not including deficiencies of natural weight and analysis - and where such deficiencies do not exceed in aggregate 5% of the contract price - the Buyer has the option of accepting the goods with the allowance fixed by the Arbitration Committee or rejecting

the goods. The option taken by the Buyer shall be notified forthwith to the Seller.

3. If the goods are rejected, the Seller shall however be entitled to a second delivery within the term of delivery, against payment of the expenses incurred in consequence of the non-contractual delivery. If the Seller does not wish to apply his right of a second delivery, the Seller shall notify the Buyer accordingly not later than the first business day after the Buyer's rejection of the goods. If the Seller does not effect any second delivery, or if the second delivery is also rejected, the Buyer may invoke his rights under Clause 20.

f) Appeal:

With the exception of awards regarding the condition of the goods, an appeal from the Committee's awards lies with the Court of Appeal. Information about appeal is made by letter forwarded or delivered by hand, by fax or email to the Arbitration Committee. Such information shall be received by the Arbitration Committee not later than 21 days after the award by the Arbitration Committee has been sent by registered mail to the person concerned. Following this, the secretariat of the Arbitration Committee informs the appellant of a suitable deadline for submission of a letter of appeal.

The signed letter of appeal and related exhibits may be delivered by hand, by ordinary mail or be sent by fax/email provided the original letter of appeal is simultaneously delivered by hand or by ordinary mail. Material already presented during the 1st instance need not be forwarded again as it is already available to the appeals committee. The letter of appeal must be received by the Committee prior to the deadline fixed by the secretariat. If the request for appeal is lodged by one of the parties only, the Committee shall, without delay, notify the other party of the appeal. When requisitioned by either party, the Court of Appeal shall decide whether the conditions prescribed for appeal exist and whether the appeal was properly lodged in due time. If the Court of Appeal decides that the appeal cannot take place or that it has not been properly lodged in due time, the award appealed against shall remain in force.