

**CONDITIONS OF SALE FOR CONTRACTS ON
FAS, FOB, CFR, CIF TERMS OR SIMILAR BASIS**

a) Insurance

Where a contract is made on CIF terms, Marine insurance shall be effected against all risks (Institute Cargo Clause A) for the invoice amount plus a minimum of 10%. The insurance shall include War Risks coverage at the rate ruling in London at the time of shipment, but any War Risks premium in excess of one half of one per cent (1/2%) to be for the account of buyer. The terms of the War Risks insurance shall be those governed by the Institute of London Underwriters.

b) Shipment

Immediate shipment shall mean shipment on the date of the contract or on any of the following 7 consecutive days. Prompt shipment shall mean shipment on the date of the contract or on any of the following 14 consecutive days.

c) Force Majeure

- i) In the event that buyer or seller is unable to perform its obligations with respect to any sale to which these Terms and Conditions apply due to events of force majeure, including but not limited to crop disease, destruction, acts of God, governmental action, fires, floods, explosions, strikes, slowdowns or other concerted acts of works, war or hostilities, insurrections, rebellions, riots or any other civil disorder, embargoes, wrecks or delays in transportation, or criminal conduct of third parties but specifically excluding a party's lowered profit, cost of financing or other business considerations, then in that event and then only to the extent so justified, the party unable to perform shall, upon written notice to the other party, be relieved of its obligations, but only to the extent of the effects of force majeure and only for so long as the event of force majeure continues. The party unable to perform shall use its best efforts to remedy the effects of force majeure. The seller shall not be obligated, by reason of force majeure circumstances, to purchase goods from others in order to enable it to deliver goods to the buyer. If a force majeure event occurs within the meaning of this Clause and continues for more than twenty-one (21) days, then either party may, by notice to the other, terminate the contract or, in the case of an instalment contract, that instalment, and be relieved of its obligations.
- ii) In no event shall the seller be liable for a delay in shipment of the goods or for non-delivery, short delivery, or loss or damage to the goods caused or contributed to by the withdrawal of, postponement of, departure of, or the leaving of the goods by the carrier otherwise scheduled to depart within the shipment period on which the seller has engaged space. In the case of a delay in shipment for any cause relating to carriage and/or the route, if the seller notifies the buyer before expiration of the shipment period, or within eight (8) days thereafter, of the fact and cause of delay, the shipment period shall be extended for the period during which such cause shall operate, unless the buyer shall, within ten (10) days of the effective date of the seller's notice, instruct the seller to ship the goods by an alternative route, in which case the seller shall, if practicable, ship by the alternative route. All additional costs for such alternative routing shall be for the buyer's account and expense.
- iii) In the event that the seller is the party directly affected by a force majeure event

which causes a substantial reduction in or damage to that portion of the crop of which the goods are part, the seller may pro-rate deliveries in any reasonable manner among all of its customers (including the buyer) in accordance with the percentage of loss or damage suffered.

d) Payment

Cash against documents upon presentation or by Letter of Credit. In the event that tendered goods arrive at the port of destination before the buyer is in possession of shipping documents, the buyer shall take delivery under indemnity, the cost of which shall be borne by the seller or, at the buyer's option, recover the total costs of quay rent and container demurrage until such time that the buyer receives the documents plus three (3) further days for processing.

e) Quality

To be Fair Average Quality of the crop as may be determined by the trade from time to time. Where, in the opinion of the buyer, the quality is inferior to F.A.Q., they shall be entitled to claim an allowance; such allowance, if not settled amicably, to be decided by arbitration.

f) Declaration of Shipment

The seller shall declare to the buyer the name of the vessel or vessels on which the goods have been shipped, together with the quantity shipped and the shipped on board Bill of Lading number and date, container number(s) and shipper's load and stow per container no later than 15 consecutive days after the date of the shipped on board Bill of Lading (but ten (10) consecutive days for Mediterranean almonds, and hazelnuts). Thereafter all intermediate sellers must pass the declaration on with due despatch. A valid declaration once made cannot be withdrawn except by agreement with the buyer(s).

g) Default

Should the seller not have declared fulfilment of the contract following the final date of shipment for which the contract allows in accordance with sub-clause (f) above, they shall then be deemed to be in default and the buyer, after first giving notice to the seller in writing, shall be entitled to cancel the contract and to buy against the seller at the market price on the first business day after the date of default, or proceed to arbitration for the purpose of establishing the price at which the goods in question shall be invoiced back to the seller and the seller shall make good to the buyer the loss and damage, if any, thereby caused. Intermediary sellers will not be penalised if they have passed on the declaration with due despatch.

h) Claims

No liability of any kind attaches to a seller unless a claim is made in writing by the buyer within twenty-one (21) consecutive days after arrival at final destination provided the container(s) have been removed from the quay within a reasonable period of time or forty-two (42) consecutive days for loss in weight claims.

Where a contract has been divided into two or more parcels, loss in weight claims shall be submitted for each separate parcel.