



**ITALIAN CONTRACT No. 11
OF "A.C.C.S." OF GENOA**

FOR FOREIGN CEREALS
- Free on truck and/or other vehicle -

Effective since 1 SEPTEMBER 2002

Edited and printed by the ARBITRATION PANEL FOR
THE CEREAL AND SEED TRADE OF GENOA

Prepared inon

Seller:

Purchaser:

Broker:

The following clauses, including the **"compromissory clause"**, establish the **particular conditions** of the contract, of which they form an integral part together with the attached "General conditions".

Goods:

Quality:

- According to the characteristics
- Good year average
- Equivalent to the corresponding standard of the country of origin

Condition: good, sound and merchantable

Quantity:

(Delivery

Period

(Collect

Goods ex

Packaging:

Price:

Payment:

Brokerage

Particular conditions:

.....
.....
.....

Compromissory clause

The Parties are committed to submitting any dispute that should arise with regard to the interpretation, validity, effectiveness or execution of this contract for resolution by means of contractual determination to informal arbitration, to be carried out in compliance with the Regulations of the Arbitration Panel for the Cereal and Seed Trade of Genoa, which the Parties declare to understand and accept.

TOLERANCES AND ALLOWANCES

1. For sales carried out "according to characteristics", any quality differences in the goods with respect to what was agreed upon shall result in the right to the allowances listed below.
2. The request for analyses for assessing the agreed upon characteristics does not necessarily imply arbitration proceedings.
3. If the qualitative differences of the goods exceeds the limits foreseen for the allowances, with the need to resort to arbitration, the starting date of the terms for proposing arbitration due to differences in quality shall start from the day following the day on which the analysis certificates were transmitted to the Counter-party.
4. A similar procedure will be adopted for the assessment and for any disputes with regard to characteristics that were agreed upon but not included in this table.
5. The allowances in favour of the Purchaser due to qualitative surpluses or deficiencies with respect to what was agreed upon shall be regulated in proportion for each point or fraction and shall be calculated based on the contract price.

CEREALS IN GENERAL (including feed grain)

= **MOISTURE** =

Surplus from 0 to 1.00 = allowance of 1.00%
Surplus from 1.01% to 2.00% = allowance of 1.25%
- For surpluses above 2% the Purchaser may exercise the right of refusal.

= **HECTOLITRE WEIGHT** =

Maximum shortage of 0.50 kg. = tolerated without allowance
Shortages from kg. 0.51 to kg. 2.00 = allowance of 0.50%
Shortages from kg. 2.01 to kg. 3.00 = allowance of 1.00%

Beyond this limit, a petition will be presented for arbitration (*)

= **BROKEN KERNELS** =

Surplus up to 2.00% = tolerated without allowance
Surplus from 2.01% to 4.00% = allowance of 0.25%
Surplus from 4.01% to 6.00% = allowance of 0.50%

Beyond this limit, a petition will be presented for arbitration (*)

= **MEALY IMPURITIES** =

a) Presence of cereals other than those in the contract
b) Defective grains (spoilt, mouldy, worm-eaten, cooked, mottled, fusarium kernels, sprouted, etc.)

Surplus up to 2.00% = tolerated without allowance
Surplus from 2.01% to 5.00% = allowance of 0.50%

Beyond this limit, a petition will be presented for arbitration (*)

= **ZERO MISC. IMPURITIES** =

Surplus from 0 % to 2.00% = allowance of 1.00%

Beyond this limit, a petition will be presented for arbitration (*)

SOFT AND HARD WHEAT

= **MOISTURE** =

Surplus from 0 to 1.00% = allowance of 1.00%
Surplus from 1.01 to 2.00% = allowance of 1.25%
- For surpluses above 2.00% the Purchaser may exercise the right of refusal.

= **HECTOLITRE WEIGHT** =

Maximum shortage of 0.50 kg. = tolerated without allowance

Shortages from kg. 0.51 to kg. 2.00 = allowance of 0.50%

Shortages from kg. 2.01 to kg. 3.00 = allowance of 1.00%

Beyond this limit, a petition will be presented for arbitration (*)

= **PROTEIN (N x 5.70) BREAD SOFT WHEAT AND HARD WHEAT** =

A shortage of 0.30% is tolerated without allowance.
For higher values, the previous tolerance is annulled and an allowance of 1.5% is recognized for an amount of up to 1.3%.

Beyond this limit, a petition will be presented for arbitration (*)

= **BROKEN KERNELS** =

Surplus from 0 to 3.00% = allowance of 0.50%

Beyond this limit, a petition will be presented for arbitration (*)

= **MEALY IMPURITIES** =

a) Other cereals
b) Defective grains (shrivelled, eroded, worm-eaten, coloured in the germ, i.e. speckled, mottled, fusarium kernels, sprouted, heated, cooked, etc.)

Surplus from 0 to 3.00% = allowance of 0.50%

Beyond this limit, a petition will be presented for arbitration (*)

= **ZERO MISC. IMPURITIES** =

Surplus from 0 % to 2.00% = allowance of 1.00%

Beyond this limit, a petition will be presented for arbitration (*)

= **PERCENTAGE OF SOFT WHEAT IN HARD WHEAT** =

A maximum percentage of 2.00% of soft wheat is tolerated in comparison to the agreed upon amount, with an allowance of 0.50%

Beyond the limit of 2.00% the Purchaser may exercise the right of refusal. (*)

= **YELLOW BERRY KERNELS** =

For surpluses with respect to the agreed upon amount:
- up to 10.00% = allowance of 0.20%
- from 10.01% to 20.00% = allowance of 0.30%

Beyond the limit of 20%, a petition will be presented for arbitration (*)

= **FALLING NUMBERS (HAGBERG)** =

A shortage of up to 7.0% with respect to the agreed upon amount in the contract shall be tolerated without allowance.
For greater shortages and up to an additional 10.00% = allowance of 0.1% for each second.

Beyond the said tolerance with allowance, the Purchaser may exercise the right of refusal. (*)

(*) Without prejudice to the content of ART. X point 3 in the "General conditions".

