

# FEDERATION OF OILS, SEEDS AND FATS ASSOCIATIONS LIMITED FOSFA INTERNATIONAL

## CONTRACT FOR FULL CONTAINER LOAD/ISO TANK CONTAINER

# 32

Revised and Effective  
from 1st July 2016

Reference Nos

**SELLERS:** .....

.....

**BUYERS:** .....

.....

**BROKERS:** .....

.....

Date: .....

\*An asterisk denotes alternative wording, and should be matter of agreement between the parties.

Sellers have agreed to sell and Buyers have agreed to buy ..... full container loads each estimated to contain ..... metric tons 1  
at ..... say ..... per ton of 1000 kilos \*gross. 2  
net

The basis of trade \*FOB/CIF/C&F/ ..... with governing contract as defined in Clause 23 "Other Terms". 3

Payment in ..... as per Payment Clause. 4

**SPECIAL CONDITIONS** ..... 5  
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**1. QUALITY:** At time and place of filling, the oil shall be of good merchantable quality, in good condition and of the agreed description and specifications. 7

**2. SPECIFICATIONS:** ..... 8  
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\***(a)** Final at time and place of stuffing/filling; or 10  
\***(b)** Final at time and place of unstuffing/emptying. 11

**3. CONTAINERS:** Sellers are responsible for ensuring that the goods are shipped in container/s of a suitable type and condition in accordance with ISO 1496 Parts 1 to 5 in force at the Bill of Lading date. 12  
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**4. SHIPMENT PERIOD:** Goods to be shipped as per Bill/s of Lading date/s or to be dated during ..... 14

**5. DESTINATION/PLACE OF DELIVERY:** 15

\***(a) DECLARATION OF DESTINATION:** The goods are sold for shipment to ..... 16  
but Buyers have the option to declare ..... 17  
as the port/s or place/s of destination with a minimum of ..... 18  
to any one port. To exercise this option Buyers shall declare the port/s of destination to Sellers by any means of rapid written communication, not later 19

\***(b) PLACE OF DELIVERY:** ..... 20  
Container Terminal or to ..... 21

**6. SHIPMENT AND CLASSIFICATION:** Shipment in good condition, direct or indirect, with transshipment (so long as a through Bill of Lading is provided) 22  
or without transshipment, in ship/s, classified not lower than Lloyds 100 A1 or equivalent classification in any other recognised Register. For ISO Tank Containers 23  
shipment to be in accordance with the FOSFA Qualifications and Operational Procedures for ISO Tank Containers carrying Animal, Marine and Vegetable Oils 24  
and Fats in force on the date of the Bill of Lading. 25  
For the purposes of this contract the words 'ship' or 'ships' shall include any full-powered engine-driven ship. 26

**7. FREIGHT:** Where applicable, the term "freight" is used to cover the cost of movement of the goods from the place of stuffing/filling to the place of 27  
destination/delivery. 28

**8. INSURANCE:** Where applicable, insurance to be effected from place of stuffing/filling to place of destination/delivery on the terms specified in the appropriate 29  
FOSFA contract mentioned below. 30

**9. DECLARATION OF SHIPMENT:** Notice stating ship's name or intended ship's name-in the latter case the actual name of the ocean going ship shall be 31  
despatched as soon as possible-date of the Bill/s of Lading as contained in the Bill/s of Lading Clause, the approximate quantity shipped with the number of 32  
containers shall be despatched by first Sellers to their Buyers not later than that number of days after the date of the Bill/s of Lading as specified in the appropriate 33  
FOSFA contract below. 34  
Notices by intermediate Sellers shall be accepted by their Buyers although received by them after such time if from the last day stipulated in the appropriate FOSFA 35  
contract mentioned below such notices have been passed on with due despatch. 36  
The date of the Bill/s of Lading shall be considered proof of the date of shipment in accordance with the Bill/s of Lading Clause in the absence of conclusive evidence 37  
to the contrary. Notices shall be deemed to be under reserve for errors and/or delays in transmission. Any slight variation in the ship/s name shall not invalidate the 38  
declaration. A valid declaration cannot be withdrawn except with the Buyers' consent. Should the ship arrive before receipt of such declaration of shipment and extra 39  
expenses be incurred, such expenses are to be paid by Sellers. The provisions of this clause to be inoperative if the goods have been sold afloat. 40  
Presentation of documents does not constitute a notice under the terms of this clause. 41

**10. FREE DAYS:** Sellers shall guarantee ..... free days at Port of Destination. 42

**11. WEIGHTS:** Established: 43  
\***(a)** at time and place of stuffing/filling. 44  
\***(b)** at time and place of unstuffing/emptying. If the place of unstuffing/emptying is other than that contained in the Place of Delivery Clause then Buyers agree 45  
to pay the extra expenses thereby incurred by the Sellers or their superintendents for such weighing. 46

<b>12. SAMPLING:</b> Samples to be taken in accordance with ISO 5555 for ISO Tank Containers. For all other Containers representative samples shall be drawn in accordance with the method laid down in the Federation's Standard Contractual Methods List:	47
*(a) at time and place of stuffing/filling.	48
*(b) at time and place of unstuffing/unfilling. If the place of unstuffing/emptying is other than that contained in the Place of Delivery Clause then Buyers agree to pay the extra expenses thereby incurred by the Sellers or their superintendents for such sampling.	49
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<b>13. SUPERINTENDENTS:</b> Reference in the contract to superintendents, surveyors or representatives shall mean member superintendents of FOSFA International.	52
The use of member superintendents shall be mandatory except where:	53
(i) the contract or national laws or regulations require the use of Governmental or other agencies not recognised by FOSFA International;	54
(ii) no member superintendent/s is/are available or proximate to the place of stuffing/filling or unstuffing/emptying.	55
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<b>14. ANALYSTS CLAUSE:</b> Reference in the contract to analysts shall mean analysts who are members of FOSFA International. The use of member analysts shall be mandatory except where the contract or national laws or regulations require the use of Governmental or other analysts.	57
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<b>15. PAYMENT AND SHIPPING DOCUMENTS:</b> Payment in the above-named place shall be made by Buyers for the invoice amount by cash against "on board" Bill/s of Lading together with all other contractual documents and specified in the appropriate FOSFA contract mentioned below.	59
*(a) on presentation;	60
*(b) on or (at Buyers' option) before arrival of the ship at Terminal, but not later than . . . . . days from the "on board" date of the Bill/s of Lading unless documents are presented thereafter. If Buyers elect to call for documents before arrival of ship, then payment shall be made against documents as soon as presented.	61
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Shipping documents shall include . . . . .	64
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For ISO Tank Containers: Owner Operator Statement of Compliance, Suitability and Cleanliness in the form in force at the date of the Bill of Lading.	67
If documents are presented to Buyers through the intermediary of a bank/s then the bank charges incurred shall be for Sellers' account. If Buyers demand presentation through a bank of their choice, those bank charges shall be for Buyers' account.	68
Shipping documents shall be as specified in the appropriate FOSFA contract mentioned below.	69
Payment shall not be deemed to have been effected before receipt of cleared funds by the payee or his bank. If payment is agreed to be by bank transfer, the party shall effect payment to the payee's bank on or before the due date for payment and payment instructions shall specify a value date not later than the second bank working day after the day of payment.	70
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Any monies due by either party to the contract to the other for final invoices and/or accounts for items on shipments fulfilling this contract shall be settled by either party without delay (except as otherwise provided under awards of arbitration or appeal as governed by the other provisions in the contract) and if not settled a dispute shall be deemed to have arisen which may be referred to arbitration.	74
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<b>16. INTEREST:</b> If any payment is not made on or before the due date for payment, interest shall be payable.	77
If there is no due date for payment, interest shall be payable if there has been an unreasonable delay in payment. Interest payable shall be appropriate to the currency involved. If the amount of interest is not mutually agreed, a dispute shall be deemed to exist which shall be settled by arbitration in accordance with the Arbitration Clause.	78
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Nothing in this clause shall affect a party's rights to invoke the provisions of the Default Clause in a case where a failure to effect timely payment could give rise to a claim under that clause.	81
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<b>17. NOTICES:</b> Notices to be despatched by any means of rapid written communication. All notices shall be under reserve for errors in transmission. Notices shall be passed on with due despatch by intermediate Buyers and Sellers. Any notice received after 16.00 hours on a business day shall be deemed to have been received on the following business day. Notice from a broker shall be a valid notice under this contract.	83
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<b>18. FORCE MAJEURE:</b> Should acceptance of the goods or any part thereof be prevented at any time during the last 30 days of the contract period by reason of Act of God, strikes, lockouts, riots, civil commotions, fires or any other cause comprehended by the term Force Majeure at Container Depot Base or Terminal or elsewhere preventing the handing of the goods to the container organisation or its agent/s and/or shipment on board the ocean going ship, the time allowed for acceptance shall be extended to 30 days beyond the termination of such cause, but should the contract period be less than 30 days such extension shall be limited to the number of days allowed for acceptance under the contract period.	86
Should such cause exist for a period of 60 days beyond the contract period the contract or any unfulfilled part thereof shall be cancelled. Sellers invoking this clause shall notify Buyers with due despatch.	87
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Buyers have no claim against Sellers for delay or cancellation under this clause provided that Sellers shall have supplied to their Buyers, if required, satisfactory evidence justifying delay or non-fulfilment to establish any claim for extension or cancellation under this clause.	91
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In case of default after extension the default date shall be similarly deferred.	93
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<b>19. DEFAULT:</b> In default of fulfilment of this contract by either party, the other party at his discretion shall, after giving notice, have the right either to cancel the contract, or the right to sell or purchase, as the case may be, against the defaulter who shall on demand make good the loss, if any, on such sale or purchase. If the party liable to pay shall be dissatisfied with the price of such sale or purchase, or if neither of the above rights is exercised, the damages, if any, shall, failing amicable settlement, be determined by arbitration. The damages awarded against the defaulter shall be limited to the difference between the contract price and the actual or estimated market price on the day of default. Damages to be computed on the mean contract quantity. If the arbitrators consider the circumstances of the default justify it they may, at their absolute discretion, award damages on a different quantity and/or award additional damages.	96
Prior to the last day for making a declaration of shipment a Seller may notify his Buyer of his inability to ship but the date of such notice shall not become the default date without the agreement of the Buyer. If, for any other reason, either party fails to fulfil the contract and is declared to be in default by the other party and default is either agreed between the parties or subsequently found by arbitrators to have occurred, then the day of the default shall, failing amicable settlement, be decided by arbitration.	97
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<b>20. DOMICILE:</b> This contract shall be deemed to have been made in England and the construction, validity and performance thereof shall be governed by English law. Any dispute arising out of or in connection therewith shall be submitted to arbitration in accordance with the Rules of the Federation. The serving of proceedings upon any party by sending same to their last known address together with leaving a copy of such proceedings at the offices of the Federation shall be deemed good service, rule of law or equity to the contrary notwithstanding.	106
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<b>21. INTERNATIONAL CONVENTIONS:</b> The following shall not apply to this contract:-	110
(a) the Uniform Law on Sales and the Uniform Law on Formation to which effect is given by the Uniform Laws on International Sales Act 1967;	111
(b) the United Nations Convention on Contracts for the International Sale of Goods of 1980;	112
(c) the United Nations Convention on the Limitation Period in the International Sale of Goods of 1974 and the amending Protocol of 1980.	113
<b>22. ARBITRATION:</b> Any dispute arising out of this contract, including any question of law arising in connection therewith, shall be referred to arbitration in London (or elsewhere if so agreed) in accordance with the Rules of Arbitration and Appeal of the Federation of Oils, Seeds and Fats Associations Limited, in force at the date of this contract and of which both parties hereto shall be deemed to be cognizant.	114
Neither party hereto, nor any persons claiming under either of them, shall bring any action or other legal proceedings against the other of them in respect of any such dispute until such dispute shall first have been heard and determined by the arbitrators, umpire or Board of Appeal (as the case may be) in accordance with the Rules of Arbitration and Appeal of the Federation and it is hereby expressly agreed and declared that the obtaining of an Award from the arbitrators, umpire or Board of Appeal (as the case may be), shall be a condition precedent to the right of either party hereto or of any person claiming under either of them to bring any action or other legal proceedings against the other of them in respect of any such dispute.	115
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<b>23. OTHER TERMS:</b> All other terms and conditions as per FOSFA Contract No . . . . .	122