

THE REFINED SUGAR ASSOCIATION

RULES RELATING TO CONTRACTS

QUANTITY

1. In a contract in which the quantity is subject to a franchise stated to be "for chartering purposes" the party arranging the freight shall when shipment is effected in more than one vessel be restricted to exercising the franchise option on the last vessel to commence loading. The quantity on which the franchise shall be exercised shall be the difference between the contract quantity and the total quantity shipped by vessels other than the last to commence loading.

PACKING

2. Unless otherwise stated in the contract, the Sugar shall be packed in new sound bags suitable for domestic or international transport by inland waterway and/or sea and/or road and/or rail, as applicable. Bag marks, if any, shall not be contrary to the terms of the contract.

WEIGHT

3. (i) For the purpose of calculation 1,016.05 kilograms (kg) equals a long ton of 2,240 English pounds (lbs). The word "tonne" means a metric ton of 1,000 kilograms or 2,204.6 English pounds (lbs). When the word "about" is used in the contract with reference to the contract quantity and or packing it shall mean two per cent. more or less. When the word "about" is omitted the weight of the sugar in each bag shall not be less than the weight stipulated in the contract.
- (ii) The weight of sugar delivered in bulk shall be the filling weight confirmed by an authorised weighbridge weight note stating gross and tare weights.

QUALITY

4. (i) All sugars shipped or delivered shall conform to the contractual specifications and unless stated otherwise in the contract shall be free flowing and of the crop or season current at the time of shipment or delivery designated in the contract.

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- (ii) All sugars shall be fit for human consumption and shall conform to the Public Health regulations in force in the country of origin. Unless stated otherwise in the contract, all sugars shall be free from impurities other than trace elements inherent in sugar.

SUPERVISION

5. The Seller and the Buyer shall have the option of appointing supervisors at their own expense. Supervision, where required, shall be effected by an internationally recognised superintendence company.

Should the Seller and the Buyer both elect to appoint a supervisor, such supervision shall be carried out conjointly at the time of loading of barge or sea-going vessel, loading into rail wagons or road trucks, or stuffing of containers and in any event the following shall apply:

- (i) Prior to loading of the barge or sea-going vessel, loading into rail wagons or road trucks, or stuffing of containers, the supervisor/s shall inspect the holds of the barge/sea-going vessel, the empty rail wagons and/or road trucks and/or the containers and ensure that they are clean, dry, odourless, suitable and fit to receive white sugar.
- (ii) The supervisor/s shall report on the condition of the packing and shall be satisfied that the sugar is packed in accordance with Rule 2 or as otherwise stated in the contract.
- (iii) At loading the Seller shall provide satisfactory equipment, labour and facilities for weighing. Check-weighing shall be at random and the supervisor/s shall be satisfied as to the accuracy of the weighing equipment. Unless stated otherwise in the contract, check-weighing shall be carried out on not less than 1 per cent. of each one thousand tonnes or part thereof of the sugar delivered from each supplier. Unless mutually agreed between the Seller and the Buyer, net individual bag weights shall not be derived from weighbridge results.
- (iv) Unless stated otherwise in the contract sampling shall be carried out on not less than 1 per cent. of each one thousand tonnes or part thereof of the sugar delivered from each supplier. Samples shall be drawn at random and be representative of each lot of one-thousand tonnes or part thereof.

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- (v) In the event that a supervisor objects to the condition and/or quality of the sugar and/or packing or finds a discrepancy in the weight of the bags, such objection or discrepancy shall immediately be notified to the other party's representative, prior to the sugar being stowed on board the barge or sea going vessel or loaded into rail wagons and/or road trucks. In the case of container loading, any objection to the number of bags being stuffed into the container must be notified to the Seller or Seller's representative prior to the sealing of the container.
- (vi) Composite samples representing each lot of one-thousand tonnes, or part thereof, drawn for analysis in accordance with (iv) above shall be placed in new clean suitable containers and sealed in a manner to ensure that the containers remain airtight until opened. These samples shall be analysed by a recognised analytical chemist in accordance with the methods laid down by the International Commission for Uniform Methods of Sugar Analysis (ICUMSA) or another internationally recognised method for sugar analysis. The analysis results of each sample must comply with the quality specification stipulated in the contract. Where the contract contains a term as to the colour of the sugar then, unless stated otherwise in the contract, the method for the determination of the solution colour of the sugar shall be ICUMSA Method GS9/1/2/3-8 (2005). If the Buyer elects to appoint a supervisor but the supervisor is prevented from effecting the supervision for reasons beyond his control, the Buyer shall retain his rights under Rule 6.

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6. In order for claims to be made in respect of packing, weight, shortfall in the number of bags and quality the following shall apply.

- (i) The Buyer shall give notice (see Rule 25) to the Seller of claims not later than 7 days after the completion of discharge at the port of destination. For shipment in containers, completion of discharge is the date on which the seal is broken, or at the time of delivery to final receiver, or 40 days after discharge onto quay, whichever is the sooner.
- (ii) In the event of a claim, samples shall be obtained by the Buyer in triplicate. These shall be sealed average samples,

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drawn at the Buyer's expense, by an internationally recognised

superintendence company. The samples shall be drawn from not less than 5 per cent. of the bags involved, packed into new clean suitable containers, marked accordingly and sealed in a manner to ensure that the containers remain airtight until opened.

- (iii) A sealed average sample drawn as specified in (ii) above shall be sent to the Seller without delay to support a claim respecting quality. One sample shall be held by the Buyer for his own inspection and the other shall be retained for Arbitration purposes in case of need.

DELIVERY

FAS, FOB AND FOB AND STOWED CONTRACTS

7(i). In all cases of FAS and FOB contracts, whether for shipment in bulk or bags or for shipment in containers, and in all cases of FOB and Stowed contracts, the following shall apply:

The Seller shall have the sugar ready to be delivered to the Buyer at any time within the contract delivery period.

The Buyer having given reasonable notice, shall be entitled to call for delivery of the sugar between the first and last working day inclusive of the contract delivery period. The Buyer shall give notice (see Rule 25) to the Seller of the name/s of the vessel/s on which the sugar is to be shipped, the vessel/s expected time of arrival at the loadport and the tonnage to be loaded.

The Buyer has the option of taking delivery of the contract quantity in one or more lots during the contract delivery period.

Unless otherwise agreed, in the case of international transport, the Seller shall be responsible for clearing the sugar for export and the Buyer shall provide any information reasonably required for such clearance.

The Buyer shall have the right to substitute the vessel declared and such substitution shall not be considered as a new declaration provided that the substitute vessel is suitable for the loading and carriage of sugar at the port of loading and always providing the substitution is for the same cargo quantity. The Buyer shall be responsible for any proven costs incurred by the Seller by reason of any substitution. Should the substitute vessel arrive before the expected time of arrival of the originally declared vessel the notice period effective from the original declaration shall apply.

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If the vessel/s has presented herself in readiness to load within the contract delivery period, and loading has not been completed by the last day of the period, the Seller shall be bound to deliver and the Buyer bound to accept delivery of the balance of the cargo or parcel up to the contract quantity.

If the vessel/s has presented herself in readiness to load within the contract delivery period but has failed to be presented within 5 calendar days of the date contained in the notice above calling for delivery of the sugar the Buyer shall be responsible for any proven costs incurred by the Seller by reason of such delay exceeding the 5 calendar days commencing on the day following the 5th calendar day.

7 (ii) In addition, the following shall apply as appropriate to FAS, FOB and FOB and Stowed contracts for shipment in bulk or bags and to FAS and FOB contracts for shipment by container:

FAS, FOB AND FOB AND STOWED CONTRACTS FOR CONVENTIONAL SHIPMENT IN BULK OR BAGS

In the case of FAS contracts, risk in the sugar shall pass from the Seller to the Buyer when the Seller delivers the sugar alongside the vessel/s, free of charge, risk and expense to the Buyer, to within reach of the vessel's tackle.

In the case of FOB contracts, risk in the sugar shall pass from the Seller to the Buyer when the sugar passes the ship's rail.

In the case of FOB and Stowed contracts, risk in the sugar shall pass from the Seller to the Buyer when the sugar has been stowed.

If requested by the Seller, the Buyer must provide details of vessel/s demurrage/despatch rates prior to the tendering of the vessel's notice of readiness to load.

FAS AND FOB CONTRACTS FOR SHIPMENT BY CONTAINERS

In the case of FAS and FOB contracts for shipment by containers, the following shall apply:

At the time of giving notice as set out in Rule 7(i), the Buyer shall also provide to the Seller:

(a) the freight booking reference relating to the vessel/s, clearly indicating the closing date of the vessel/s, the location(s) of the depots of the shipping line from which empty containers are to be collected by the Seller (which must be customary for the

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port of loading) and the opening and closing container stack dates of the loading terminal in respect of the nominated vessel/s; and

(b) relevant contact details of the shipping line and the loading terminal.

The Buyer shall release to the Seller the required number of suitable empty containers at (a) clearly identified container depot(s) and in sufficient time to enable loading to take place.

The Seller shall be deemed to have delivered the sugar to the Buyer, and risk in the sugar shall pass, when the fully loaded containers have been placed at the disposal of the carrier.

C&F/CFR AND CIF CONTRACTS

7(iii) In the case of all C&F/CFR and CIF contracts, whether for shipment in bulk or bags and whether or not for shipment in containers, the following shall apply:

The Seller must provide freight and shall not plead that no freight is available except when Rules 12 and 13, or 14, apply. The Seller has the option of delivering the contract quantity in one or more lots during the contract delivery period.

The Seller shall without undue delay declare the approximate quantity shipped and the name/s of the vessel/s by which shipment has been effected.

Where the contract delivery period is a period of shipment, the contract quantity must be shipped within the contract delivery period.

Where the contract delivery period is a period for arrival, shipment must be effected to ensure that, in the ordinary course of events, the sugar will arrive at the port of discharge within the contract delivery period.

Any proven additional insurance premium paid on the cargo by reason of age, flag or classification of the vessel/s declared, shall be for Seller's account. The additional premium shall not exceed that currently quoted by Lloyd's or a first class insurance company/companies in London.

For shipments in bags or bulk, risk in the sugar shall pass from the Seller to the Buyer when the sugar passes the ship's rail at the port of loading.

For shipments by containers, risk in the sugar shall pass when the containers have been placed at the disposal of the carrier.

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CONTRACTS FOR TRANSPORT BY ROAD AND/OR RAIL

8(i) In the case of contracts for transport by road and/or rail where the Buyer has an obligation at its own expense to contract or procure a contract for the carriage of the sugar, the Seller shall have the sugar ready to be delivered to the Buyer at any time within the contract delivery period. The Buyer has the option of taking delivery of the contract quantity in one or more lots during the contract delivery period.

The Buyer having given reasonable notice, shall be entitled to call for delivery of the sugar between the first and last working day inclusive of the contract delivery period. The Buyer must give notice (see Rule 25) to the Seller of the relevant details of the road trucks and/or rail wagons in which the sugar is to be transported, the expected time of presentation of the empty trucks/wagons at the agreed points of delivery and the tonnage to be loaded.

The Buyer shall at the same time provide to the Seller the freight booking reference, or equivalent information, and relevant contact details of the transport company. The Buyer shall present to the Seller the required number of empty trucks/wagons suitable for transportation of the contractual sugar at the agreed point of delivery, and in sufficient time to enable loading to take place. Sellers shall facilitate the use of their loading installations and, as the case may be, railroad sidings. Buyers and Sellers shall liaise to avoid any unnecessary delay or obstruction of delivery. The Seller shall be deemed to have delivered the sugar to the Buyer, and risk in the sugar shall pass from the Seller to the Buyer, when the trucks/wagons have been loaded.

If sufficient suitable empty trucks/wagons have been presented in readiness to load within the contract delivery period, and loading has not been completed by the last day of the period, the Seller shall be bound to deliver and the Buyer bound to accept delivery of the balance of the cargo or parcel up to the contract quantity.

8 (ii) In the case of contracts for transport by road and/or rail where the Seller has an obligation at its own expense to contract or procure a contract for the carriage of the sugar, the Seller must contract or procure such a contract for carriage to the place of destination and shall not plead that no, or insufficient, suitable trucks/wagons are available, except where Rules 12 and 13, or 14, apply. The Seller has the option of delivering the contract quantity in one or more lots during the contract delivery period.

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Where the contract delivery period is a period for delivery at the agreed point of delivery, the contract quantity must be placed at the disposal of the carrier within the contract delivery period.

Where the contract delivery period is a period for arrival, the contract quantity must be placed at the disposal of the carrier to ensure that, in the ordinary course of events, the sugar will arrive at the destination within the contract delivery period.

Risk in the sugar shall pass when the sugar has been placed at the disposal of the carrier.

9. Any contract for delivery by instalments shall not be cancelled on account of delay or failure in the delivery of any instalments. Each instalment shall be deemed a separate contract. However, should the Buyer fail to make payment for any instalment according to the contract, the Seller shall be entitled to withhold further deliveries without prejudice to his rights under the contract.

10. The term "First Half" of the month means the 1st to the 15th inclusive of that month. The term "Second Half" means the 16th to the last day inclusive of that month. The terms "beginning", "middle" or "end" of a month shall be construed respectively as from the 1st to the 10th, the 11th to the 20th and the 21st to the last day of each month inclusive.

FORCE MAJEURE

Where the contract specifies the place of origin of the sugar and, in the case of any other contract, once the Seller has declared an origin, the following Rules shall apply:

11. **FAS, FOB, FOB AND STOWED CONTRACTS AND CONTRACTS FOR TRANSPORT BY ROAD AND/OR RAIL WHERE THE BUYER HAS AN OBLIGATION AT ITS OWN EXPENSE TO CONTRACT OR PROCURE A CONTRACT FOR THE CARRIAGE OF THE SUGAR**

(a) Should ice in the shipping port, war, strikes, rebellion, insurrection, political or labour disturbances, civil commotion, fire, stress of weather, Act of God or any cause of force majeure (whether or not of like kind to those before mentioned) beyond the Seller's control prevent directly or indirectly within the contract delivery period specified in the contract, the supply to or delivery at shipping port, or in the case of contracts for transport by road and/or rail where the Buyer has an obligation at its own expense to contract or procure a contract for the carriage of the sugar, the

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supply to or delivery at the agreed place of delivery, in whole or in part of the sugar allocated by the Seller against the contract, the Seller shall immediately notify the Buyer of such fact and the quantity so affected (see Rule 25). If the Seller is prevented from advising the Buyer immediately through circumstances beyond his control, he shall notify the Buyer as soon as possible.

Upon giving such notice, the contract delivery period for the affected quantity shall be extended as follows:

- (i) where the force majeure event(s) prevents performance for up to 3 days, the contract delivery period shall be extended by 7 days
- (ii) where such event(s) prevents performance for more than 3 days, the contract delivery period shall be extended by 45 days.

(b) Should the Buyer be prevented from accepting delivery of the whole or part of the sugar within the contract delivery period by reason of loss or delay of the barge/s and/or sea-going vessel/s and/or trucks and/or wagons declared due to ice in the shipping port, war, strikes, rebellion, insurrection, political or labour disturbances, civil commotion, fire, stress of weather, Act of God or any cause of force majeure (whether or not of like kind to those before mentioned) beyond the Buyer's control, the Buyer shall immediately notify the Seller of such fact and the quantity so affected (see Rule 25). If the Buyer is prevented from advising the Seller immediately through circumstances beyond his control he shall notify the Seller as soon as possible.

Upon giving such notice, the contract delivery period for the affected quantity shall be extended, without extra charge to the Buyer, as follows:

- (i) where the force majeure event(s) prevents the Buyer from accepting delivery for up to 3 days, the contract delivery period shall be extended by 7 days.
- (ii) where such event(s) prevents the Buyer from accepting delivery for more than 3 days, the contract delivery period shall be extended by 45 days.

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12. C&F/CFR,CIF CONTRACTS AND CONTRACTS FOR TRANSPORT BY ROAD AND/OR RAIL WHERE THE SELLER HAS AN OBLIGATION AT ITS OWN EXPENSE TO CONTRACT OR PROCURE A CONTRACT FOR THE CARRIAGE OF THE SUGAR.

Should ice in the shipping port, war, strikes, rebellion, insurrection, political or labour disturbances, civil commotion, fire, stress of weather, Act of God or any cause of force majeure (whether or not of like kind to those before mentioned) beyond the Seller's control prevent directly or indirectly within the contract delivery period specified in the contract, as defined in Rules 7, 8 and 10

- (a) the supply to or delivery at shipping port in whole or in part of the sugar allocated by the Seller against the contract and/or
- (b) the barge/s or sea-going vessel/s declared from loading the sugar and should the Seller or his agent be unable to supply other barge/s and/or vessel/s of similar character to enable him to effect shipment or to ensure arrival at the port of discharge within the contract delivery period
- (c) or, in the case of a contract for delivery by road and/or rail where the Seller has an obligation at its own expense to contract or procure a contract for the carriage of the sugar, the supply to or delivery at the point of loading in whole or in part of the sugar allocated by the Seller against the contract and/or the road truck(s) and/or rail wagon(s) declared from loading all or part of the sugar allocated by the Seller against the contract and should the Seller or his agent be unable to supply other means of transport of similar character to enable him to effect delivery to ensure arrival at the agreed place of delivery within the contract delivery period

the Seller shall immediately notify the Buyer of such fact and the quantity so affected (see Rule 25). If the Seller is prevented from advising the Buyer immediately through circumstances beyond his control, he shall notify the Buyer as soon as possible. Upon giving such notice, the contract delivery period for the affected quantity shall be extended as follows:

- (i) where the force majeure event(s) prevents performance for up to 3 days, the contract delivery period shall be extended by 7 days.

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- (ii) where such event(s) prevents performance for more than 3 days, the contract delivery period shall be extended by 45 days.

13. The party claiming force majeure shall within fourteen days from the initial notification of the facts relied upon deliver to the other party evidence of the existence of those facts. If evidence is not delivered in accordance with this provision, the right to invoke force majeure shall be forfeited unless an arbitration tribunal in its absolute discretion decides otherwise.

The party claiming force majeure shall notify the other party immediately that the force majeure event(s) terminates.

If delivery is still prevented at the end of the 45 day extended contract delivery period the contractual rights and obligations of the parties shall be cancelled, save only that the sugar shall be invoiced back at the prevailing market price at the end of the extended period or at such price as an arbitration tribunal in its absolute discretion decides. If the invoicing back price is higher than the contract price, the difference shall be paid by the Seller to the Buyer. If the invoicing back price is lower than the contract price, the difference shall be paid by the Buyer to the Seller.

If performance of the contract is prevented by a force majeure event more than once during the contract delivery period (as extended in accordance with these Rules) the provisions of these Rules shall apply to each such event. However, in no circumstances shall that contract delivery period be extended for more than 45 days.

The provisions of Rules 11 or 12 and 13 shall apply notwithstanding the occurrence of events which would otherwise frustrate the contract.

14. Where sugar is due to be shipped, or made available for shipment, and would normally be transported to the shipping port or place of delivery by inland waterway, the following provisions shall apply (instead of those in Rules 11 or 12 and 13) if ice prevents the sugar allocated by the Seller against the contract from reaching the shipping port by that mode of transport within the contract shipment/ delivery period:

- (a) If the sugar is in transit, the Seller shall declare the name or number of the barge/s and its/their present whereabouts. At the same time the Seller shall declare his option to fulfil the contract without extra charge to the Buyer by

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- (1) delivering a separate lot by rail or road, such delivery to be effected within 30 days of the end of the contract shipment/delivery period; or
 - (2) delivering the original lots within 30 days of the reopening of the inland waterway.
- (b) If the sugar is at the factory or storage place, the Seller shall promptly notify the Buyer of his inability to deliver owing to ice and the Buyer shall thereupon declare his option.
- (1) to call for the sugar to be despatched promptly and in no case later than 30 days after the inland waterway reopens; or
 - (2) to order the sugar to be despatched by rail or road, the extra cost of this to be paid by the Buyer and the shipment or delivery as the case may be then to be effected within the contract shipment/delivery period or within 30 days of receipt of the Buyer's instructions, whichever is the longer.

LICENCES

15. In the case of international transport, the Buyer shall be responsible for obtaining and maintaining in force any necessary import licence and the Seller shall be responsible for obtaining and maintaining in force any necessary export licence. The failure to obtain and/or to maintain in force such licence/s shall not be sufficient grounds for a claim of force majeure if the regulations in force at the time when the contract was made called for such licence/s to be obtained.

INSURANCE

16 (i) Insurance shall be covered for the invoice value plus 10 per cent. by a Lloyd's policy or by a policy with a first class insurance company/ companies under which a claim can be submitted, admitted and settled in London or in any other place agreed between the Seller and the Buyer in the currency of the contract. Insurance shall be effected on:-

Institute Commodity Trades Clauses (A) – CL 275 (6 pages);
Institute Strikes Clauses (Commodity Trades) – CL 279 (5 pages);
Institute War Clauses (Commodity Trades) – CL 278 (6 pages)

as set out in Appendix 1 to these Rules and

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Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause – CL 370 (1 page);
Institute Cyber Attack Exclusion Clause – CL 380 (1 page);
Termination of Transit Clause (Terrorism)(2009) – (1 page)

as set out as specimen clauses in Appendix 1 to these Rules.

16 (ii) In a contract on FAS, FOB or FOB and Stowed terms, risk in the sugar shall pass from the Seller to the Buyer in accordance with Rule 7. Upon giving shipping instructions, the Buyer shall cover insurance in accordance with Rule 16(iii).

In a contract on C&F/CFR terms the Buyer's risk shall commence in accordance with Rule 7. The Buyer shall cover insurance in accordance with Rule 16(iii) .

In a contract for transport by road and/or rail, risk in the sugar shall pass from Seller to Buyer in accordance with Rule 8. Unless otherwise expressly agreed, the Buyer shall cover insurance in accordance with Rule 16(iii).

16 (iii) In all cases covered by Rule 16(ii), the Buyer shall effect insurance on the conditions set out at Rule 16(i), unless the contract provides otherwise. Insurance policies shall be for the Seller's protection until payment is made. The Buyer shall furnish documentary evidence of compliance with the above if requested by the Seller. Should the Buyer fail to comply with such request, the Buyer shall be responsible for the Seller's proven costs if the Seller arranges for equivalent insurance protection.

16 (iv) In a contract on CIF or CIP terms, the Seller shall effect insurance on the conditions set out at Rule 16(i), unless the contract provides otherwise.

PAYMENT

17. Payment for the sugar shall be made by cash, barge, sea-going vessel, container, road truck and/or rail wagon lost or not lost, if sold

- (a) FOB and FOB Stowed against a complete set of signed clean "On Board" Bills of Lading, Certificate of Origin, Certificate of Weight, Quality and Packing and a signed commercial invoice.
- (b) FAS against a Certificate of Origin, Certificate of Weight, Quality and Packing, a Forwarder's Certificate of Receipt and a signed commercial invoice.

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- (c) C&F/CFR, against a complete set of signed clean "On Board" Bills of Lading evidencing freight having been paid, Certificate of Origin, Certificate of Weight, Quality and Packing and a signed commercial invoice.
- (d) CIF, against a complete set of signed clean "On Board" Bills of Lading evidencing freight having been paid, Certificate of Origin, Certificate of Weight, Quality and Packing, a signed commercial invoice and a Policy, Certificate or Letter of Insurance in compliance with Rule 16. The Letter of Insurance to be accompanied by a Banker's Guarantee if required by the Buyer.
- (e) pursuant to a contract for delivery by road and/or rail, against a Delivery Note, Certificate of Origin, Certificate of Weight, Quality and Packing and a signed commercial invoice.

In the case of international transport

(i) in addition to the documents stipulated in (a), (b), (c), (d) or (e) above, as applicable, the Seller shall, if requested not later than seven days prior to the commencement of loading, include in the presentation for payment other documents customarily required by and acceptable to the authorities in the country of destination. Any such additional documents requested with less than the above notice shall be supplied by the Seller as soon as possible.

(ii) the Seller shall have any documents visaed in accordance with the requirements of the country of destination and any costs incurred in obtaining such documents and any visa charges thereby incurred shall be for Buyer's account. The Seller shall not be responsible if, for reasons beyond his control, such documents or visas are unobtainable.

18. Notice of intention to present documents for payment must be given to the Buyer not later than 15.00 hours local time on a business day at the place of presentation of such notice (see Rule 25). Documents shall be presented to the Buyer not later than 11.00 hours local time at the place of presentation of documents on the next following business day. The Seller shall not be liable for charges incurred as a result of the goods arriving at the port of discharge or agreed point of delivery at destination prior to the receipt of documents, provided the documents have been passed on by the Seller without delay.

19. Documents evidencing proper fulfilment of the terms of a contract and tendered for payment in accordance with Rules 17 and 18 shall be

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paid for on presentation without any deduction and/or set-off whatsoever and such payment shall not prejudice any claim or dispute to be referred to arbitration. Should the Buyer fail to pay on presentation of documents the Seller may resell the sugar for account of whom it may concern.

TITLE

20. Title to goods shall not pass until Seller has received payment for goods in accordance with Seller's instructions.

TAXES AND LEVIES

21. In the case of international transport,
- (a) any existing or future taxes, or levies in the nature of taxes, whether on sugar, freight or shipping imposed by the country of origin shall be for the account of the Seller; and
 - (b) any existing or future taxes, or levies in the nature of taxes, whether on sugar, freight or shipping imposed by the country of destination shall be for the account of the Buyer;

save that in any case involving an element of transport by road and/or rail, all existing or future transport taxes or levies imposed by any country shall be for the account of whichever party has the obligation to contract or procure the contract of carriage.

GOVERNING LAW

22. The contract and these Rules shall be governed by and construed in accordance with English Law.

EXCLUSIONS

23. Unless the contract contains any statement expressly to the contrary, the provisions of neither the Convention relating to a Uniform Law on the International Sale of Goods, of 1964, nor the United Nations Convention on Contracts for the International Sale of Goods, of 1980, nor the Common European Sales Law, shall apply thereto. Unless the contract contains any statement expressly to the contrary, a person who

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is not a party to the contract has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of it.

GENERAL

24. Where any clause in the contract is at variance with a Rule of the Association, such clause shall prevail.

Except where inconsistent with these Rules, the current version of Incoterms shall apply. Where the parties have not specified a particular Incoterm as applicable, the most suitable Incoterm will apply to the contract, provided always that no Incoterm shall apply which would be inconsistent with the express terms agreed by the parties.

The term "vessel" or "ship" when used in these Rules shall include a barge.

NOTICES

25. Any notice to be served by the Seller or the Buyer under these Rules shall be delivered by courier or transmitted by, facsimile or electronic mail.

ARBITRATION

26. Any dispute arising out of or in connection with a contract which is subject to these Rules shall be referred to arbitration before The Refined Sugar Association for settlement in accordance with the Rules Relating to Arbitration. Such arbitration shall be conducted in accordance with English Law. The Rules of the Association in force at the time the contract was made shall apply to any reference to arbitration.