



European Coffee Federation

To : ECF Council & Executive Committee
ECF Contracts Committee
ECF Logistics Committee
ECF Terminal Markets Committee

Rijswijk, 24 August 2007
07COUN025/ECF/RV/mt

E-MAIL

Dear Madam, dear Sir,

Re : ECF Standard Contracts

Please find attached:

- Updated Standard Contracts Cover Page
- European Contract for Spot Coffee (ECSC), 2007 Edition
- European Delivery Contract for Coffee (EDCC), 2007 Edition

which come into effect for contracts made on and after the 1st September 2007.

Also please note that an amendment has been made to the ECC 2002 Edition and to the E FCA CC 2005 Edition. The amendments are attached and also come into effect on the 1st September 2007.

Kind regards,

Michael P. Flynn

Chairman
ECF Contracts Committee

European Coffee Federation

European Contract for Coffee (E.C.C.)

European Contract for Spot Coffee (E.C.S.C.)

European Delivery Contract for Coffee (E.D.C.C.)

European Free Carrier Contract for Coffee (E.FCA.C.C.)

Published in June 2002, June 2005 and June 2007 by
European Coffee Federation
Sir Winston Churchilllaan 366
P O Box 161
2280 AD Rijswijk
The Netherlands

tel: + 31 20 511 38 15
fax: + 31 20 511 38 92
e-mail: ecf@coffee-associations.org

Copyright © 2002, 2005 and 2007
European Coffee Federation

All rights reserved.

No part of this work may be translated and/or reproduced or copied in any form or by any means - graphic, electronic or mechanical, including photocopying, recording, taping, or information and retrieval system - without written permission of the European Coffee Federation

European Coffee Federation

European Contract for Spot Coffee (E.C.S.C.)

General conditions adopted by the European Coffee Federation (ECF)
on the 15th June 2007 and effective as from 1st September 2007.

Lodged with the various arbitral bodies in Europe.

Originally adopted by the Committee of the European Coffee
Associations (CECA) on the 16th June 1982.

2007 Edition

European Contract for Spot Coffee (E.C.S.C.)

- A. General conditions for trade in spot coffee basis in/ex store, Free on Board (F.O.B.) Free Carrier (F.C.A.), Delivered Duty Unpaid (D.D.U.) or Delivered Duty Paid (D.D.P.).
- B. Spot coffee is coffee stored in warehouse in Europe at the date of contract.
- C. The ECF publishes a Code of Practice to which reference may be made as a guide to the interpretation of the contract.
- D. Only the English version of the E.C.S.C. shall be official.

Article 1 - Contract

- (a) Unless otherwise stipulated, any contract based on E.C.S.C. terms and conditions is not contingent upon any other and is to be settled between buyers and sellers without reference to other contracts covering the same parcel.
- (b) The contract shall state whether a tender shall be made for coffee in original bags and/or in bulk. Should the contract fail to specify either a tender shall be made for coffee in original bags.

Article 2 - Quantity

The quantity to be tendered shall be that stated in the contract. A tolerance of 1% in weight, more or less, on the basis of the previous weights shall be permitted.

Article 3 Tenders

- (a) Goods must be tendered on the first working day at the sellers' place of business following the date of sale. A tender must state the place of storage, quantity, marks (for coffee in bags) and any further information needed to identify the goods. In addition, a tender must also state whether or not the coffee has been customs cleared.

- (b) The sellers shall not be permitted to change or substitute a tender once given.

Article 4 - Reweighing and Taring Expenses

- (a) For coffee sold in store, reweights, the reweighing expenses are for buyers' account.
- (b) For coffee sold ex store, F.O.B., F.C.A., D.D.U. or D.D.P., reweights, the reweighing charges are for sellers' account.
- (c) If taring expenses are not included in the weighing expenses they are for account of the requesting party.

Article 5A - Weights (coffee in bags)

- (a) For coffee sold on landed/warrant weights weighing and taring shall have taken place in conformity with local custom and the goods shall be invoiced accordingly. In the absence of taring at the place of storage the original tare shall apply. However, should the coffee have been last weighed more than 6 calendar months prior to the date of the tender the coffee shall be reweighed and repiled at sellers' expense during the contractual delivery period and invoiced accordingly.
- (b) For coffee sold on reweights the goods shall be provisionally invoiced on the basis of the previous weights, in which event the sellers shall provide a copy of the relevant weight note.
- (c) For coffee delivered from the store during the contractual delivery period the reweighing and taring (if appropriate) shall take place in conformity with local custom upon delivery.
- (d) For coffee not delivered from the store during the contractual delivery period the reweighing and taring (if appropriate) shall take place in conformity with local custom not later than 28 calendar days following such period.

The reweighing shall be effected either whilst in or upon delivery from the place of storage.

It shall be the obligation of the buyers to ensure that reweighing takes place within such time limit.

For coffee reweighed whilst in store, the additional costs compared to reweighing upon delivery shall be for account of the buyers.

Should the reweighing take place later than 28 calendar days following the contractual delivery period the sellers shall be permitted to regard the provisional invoice weights as final.

Article 5B - Weights (coffee in bulk)

- (a) For coffee sold on landed/warrant weights weighing shall have taken place in conformity with local custom and the goods shall be invoiced accordingly. However, should the coffee have been last weighed more than 6 calendar months prior to the date of the contract the contract shall be treated as a reweights contract.
- (b) For coffee sold on reweights the goods shall be provisionally invoiced on the basis of the previous weights, in which event the sellers shall provide a copy of the relevant weight note.
- (c) Reweighing shall take place in conformity with local custom upon delivery from the place of storage. Should delivery be effected later than 28 calendar days following the contractual delivery period the sellers shall be permitted to regard the provisional invoice weights as final.

Article 6 - Supervision of Reweighing

- (a) Each of the parties can require the reweighing and taring (if appropriate) to be supervised provided they give notice to the other party in due time and bear the costs thereof.
- (b) Where supervisors have been appointed, reweighing and taring (if appropriate) may be carried out if the supervisors, though informed in good time of the place and time of reweighing and taring, are not present. Such reweight and tare must then be accepted.

Article 7 - Reweight Note

Either party shall forward to the other party a detailed reweight note as quickly as possible but not later than 28 calendar days from the date of reweighing, failing which the sellers shall be permitted to regard the provisional invoice weights as final.

Provided intermediaries and buyers/sellers of the same parcel forward a reweight note not later than 2 working days after receipt, such reweight note shall be considered to have been forwarded in time.

Article 8 - Quality

- (a) Quality shall be in accordance with the contract description.
- (b) All goods contracted for shall be of sound merchantable quality unless otherwise stated in the contract or shown to the contrary by the sale sample or samples.

Article 9 - Sale as per Sample

- (a) Not later than the date of the contract, the buyers can require that, for their account, the sellers give instructions for a representative sample of minimum 250 grams to be drawn by a qualified body and sent to them per courier within 2 working days at the place of storage.
- (b) Where the buyers believe there is an appreciable difference in quality, not later than 2 working days after receipt of the sample at their place of business they may inform the sellers of same and advise them at the same time whether (i) they wish to accept the goods with or without an allowance or (ii) discharge the contract with or without an allowance.

Article 10 - Sale on Description

- (a) Not later than the date of the contract, the sellers shall give instructions, for their account, for a representative sample of minimum 250 grams to be drawn by a qualified body and sent to the buyers per courier within 2 working days at the place of storage.

- (b) Any difference in quality established by arbitration shall entitle buyers to an allowance which may include compensation for costs, expenses and inconvenience.
- (c) Where there is specific evidence that the coffee is unsound and/or there is a radical difference in quality, the buyers may seek an allowance or that the contract be discharged by invoicing back the coffee. One criterion as to whether coffee is unsound is an excessive moisture level.

Where arbitrators establish that the coffee is unsound and/or there is a radical difference in quality, in awarding invoicing back, they shall establish the price having in mind all the circumstances concerned.

Where arbitrators establish that the coffee is not unsound and/or there is not a radical difference in quality, they may award an allowance which may include compensation for costs and expenses.

Article 11 - Samples

- (a) As long as the goods have not been delivered, the sellers are obliged to co-operate fully if the buyers wish further samples to be drawn for their account.
- (b) Samples for arbitration purposes shall be drawn and sealed by a qualified body not later than 14 days from the date of contract in conformity with local custom.
- (c) Each of the parties can appoint supervisors in whose presence the samples shall be drawn and jointly sealed provided they give notice to the other party in due time and bear the costs thereof.
- (d) Where supervisors have been appointed by one or both parties, sampling may be carried out if any of the supervisors, though informed in good time of the place and time of sampling, are not present. In such an event, the samples drawn and sealed by a qualified body (and if appropriate, jointly sealed by one of the supervisors) shall be accepted. Should the buyers fail to inform the sellers' supervisors, they forfeit the right to any claim based on quality.

Article 12 - Delivery Period

- (a) Unless otherwise stipulated the delivery period shall be immediate, i.e. within 14 calendar days counted from the date of tender.
- (b) Prompt delivery means within 28 calendar days counted from the date of tender.
- (c) It is permitted to take partial delivery, any extra expenses resulting thereof are for account of the buyers.
- (d) During the contractual delivery period the warehouse/shed rent is for account of the sellers.

Article 13 - Delivery Instructions

If the contract has been concluded on the condition F.O.B. or F.C.A. or D.D.U. or D.D.P., delivery instructions shall be given by the buyers in sufficient time to enable the sellers to comply within the contractual delivery period.

Failing this, the sellers shall be entitled:

- (i) to complete delivery on an in store basis, and
- (ii) to deduct the costs for bringing the goods to F.O.B. or F.C.A. or D.D.U. or D.D.P.

Article 14 - Delivery

Delivery of the goods takes place by presentation of:

- (i) such a document which gives the buyers unencumbered title to the goods purchased;
- (ii) invoice or provisional invoice;
- (iii) ICO documents, if required, covering the delivered quantity;
- (iv) for coffee sold on landed weights a copy of the weight note;
- (v) for coffee sold on reweights a copy of the relevant weight note, basis the previous weights;
- (vi) any other document as prescribed in the contract.

The buyers shall always take up documents which conform with the conditions of the contract. Obvious clerical errors shall not permit buyers

to refuse payment, provided such errors are corrected in due time, explained or justified in reasonable terms.

Article 15 – Duty

- (a) In respect of coffee which at the time of tender qualifies for a preferential rate of import duty into the country of the agreed place of delivery, such documents which are necessary to take delivery at the preferential rate shall either have been lodged with and accepted by the relevant authorities or shall be presented to the buyers, failing which the buyers shall effect payment at the contract price less the preferential advantage.
- (b) If at the time of making the contract it was agreed that the coffee is destined for importation into a country other than that of the agreed place of delivery, the sellers shall provide such proper documents as to enable the buyers to import the coffee at any preferential advantage, failing which the buyers shall effect payment at the contract price less the preferential advantage.

Article 16 - Payment

- (a) Payment shall be made:
 - (i) at the time stipulated, or
 - (ii) within the contractual delivery period prior to release of the goods by the sellers to the buyers.
- (b) For coffee sold on landed/warrant weights payment shall be effected for the invoice value.
- (c) For coffee sold on reweights payment shall be effected for the provisional invoice value and final settlement shall be made on the basis of the reweights.
- (d) If required by sellers, the buyers shall nominate a bank through which documents shall be presented. Collection charges made by the nominated presenting bank shall be for account of sellers and shall be reasonable as compared to charges made locally. Any proven difference shall be for account of buyers. Payment charges made by the buyers' bank shall be for account of the buyers.

- (e) The coffee remains the property of the sellers until it has been paid for in full, even if the sellers have already parted with the coffee or with the documents which represent it.

Article 17 - Non-Performance

- (a) Claims for failure to perform must be clearly formulated not later than 14 calendar days from the date of such failure.
- (b) Where a party claims non-performance provided that 2 clear working days notice be given to the other party at his place of business, the claimant shall have the right to declare the other party to be in default with damages failing which the contract shall be deemed to be discharged without allowance, unless the parties agree otherwise.
- (c) The 2 clear working days' notice period refers to working days at the recipient's place of business.

Article 18 - Default

- (a) The defaulting party shall pay on demand any damages. Consequential damages are excluded. If he fails to pay or should be dissatisfied with the amount of damages, the matter shall be determined by arbitration.
- (b) The date of default shall, failing amicable settlement, be decided by arbitration.
- (c) Damages are to be computed on the mean contract quantity.

Article 19 - Loss and/or Damage

- (a) The coffee shall be at sellers' risk up to the time as stipulated below:
 - (i) for contracts made on an in/ex store basis:
up to the time the goods are placed at the disposal of the buyers and/or all documents required by the buyers are at their disposal or in their possession;

- (ii) for contracts made on an F.C.A. basis:
up to the time the goods are loaded on/in the conveyance arranged by or upon instructions from the buyers or their representatives;
 - (iii) for contracts made on an F.O.B. basis:
up to the time the goods pass the ship's rail at the port of shipment;
 - (iv) for contracts made on a D.D.U. or D.D.P. basis:
up to the time the goods are delivered to the agreed point of delivery.
- (b) Should the whole or part of the goods become damaged whilst at sellers' risk, the buyers shall have the option of accepting such whole or part with a fair allowance to be mutually agreed or decided by arbitration, or of rejecting such whole or part without replacement by the sellers.
- (c) Should the whole or part of the goods become destroyed or lost whilst at sellers' risk, the contract for such whole or part shall be void.

Article 20 - Arbitration

- (a) Any dispute which the parties are unable to resolve amicably shall be determined by arbitration at the place stated in the contract and under the rules and customs of the arbitral body for the coffee trade there established. Should no place of arbitration be stipulated in the contract and no agreement can be reached by the parties, the venue of arbitration shall be decided by the ECF Contracts Committee.
- (b) The formal decision to initiate arbitration proceedings shall be notified by one party to the other within the following time limits:
- (i) quality disputes: not later than 28 calendar days from the date the claim was formulated;
 - (ii) other disputes: not later than 90 calendar days from the date one party formally notifies the other that the dispute apparently cannot be resolved amicably and arbitration proceedings shall be initiated.

- (c) Where the rules of the arbitral body require that a step be taken to initiate the arbitration, including a formal application for arbitration to such arbitral body or the appointment of an arbitrator, such step must be taken within the above time limits.
- (d) Where one of the parties fails to comply with an arbitration award which has become final, the other party may request the coffee trade organisation under whose rules the arbitration was held to post the name of the defaulting party and/or bring it to the notice of its members and through the ECF to any person or organisation with or having an interest in coffee.

Each of the recipients of such notification may in turn bring it to the notice of its own members or otherwise publish the same.

In no circumstances shall any person or organisation be liable to any party to an arbitration in respect of the posting or notification of the name of a defaulting party under an arbitration award whether or not such award shall have been subsequently complied with.

By acceptance of the contract and its arbitration clauses the parties are deemed to have agreed to this condition.

Article 21 - Jurisdiction

- (a) Whatever the residence of the parties concerned, they agree that in the event of arbitration or Court proceedings or any other dispute resolution procedure the contract shall be interpreted according to the law in force in the country in which the parties have stated in the contract the arbitration is to be held or (as the case may be) in which the ECF Contracts Committee has decided the arbitration is to be held.
- (b) In order to enforce an arbitration award duly given, direct recourse may be had to the courts of the place where the defaulting party is established.
- (c) The following shall not apply to this contract:
 - (i) 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;

- (ii) the United Nations Convention on Contracts for the International Sale of Goods of 1980;
- (iii) the United Nations Convention on Prescription (Limitation) in the International Sale of Goods Act 1974 and the amending protocol of 1980.

Article 22 - Definitions

- (a) Where the question of time limits is raised in the E.C.S.C., the first day is the day following the date of contract, tender, weighing, sampling, claims etc.
- (b) Where an act has to be done by either of the parties on or before a specified calendar day and such day falls on a non-working day, such act must then be done on or before the following working day.

Article 23 – Notices

- (a) Notices required to be given under the contract shall be given only by one or more of the following methods:
 - (i) facsimile,
 - (ii) e-mail,
 - (iii) eCops,
 - (iv) any other method of written electronic communication provided that a record of the notice is capable of being preserved by both parties and printed by both parties and that such method of communication has been expressly agreed in writing.
- (b) If there is a dispute as to whether or not a notice was given in accordance with this Article 23 such dispute shall be determined in all the circumstances of the case and on the balance of probabilities.

Article 24 - Brokerage/Commission

Brokerage/intermediary's commission becomes due on the making of the contract without regard to its performance and is payable on whichever of the following events first happens, viz. on fulfilment of the contract, on default by either party or on cancellation.

European Coffee Federation

European Delivery Contract for Coffee (E.D.C.C.)

General conditions adopted by the European Coffee Federation (ECF)
on the 15th June 2007 and effective as from 1st September 2007.
Lodged with the various arbitral bodies in Europe.

2007 Edition

European Delivery Contract for Coffee (E.D.C.C.)

- A. General conditions for trade in coffee for delivery during an agreed period of time at an agreed location in Europe basis in/ex store or Free Carrier (F.C.A.).
- B. The ECF publishes a Code of Practice to which reference may be made as a guide to the interpretation of the contract.
- B. Only the English version of the E.D.C.C. shall be official.

Article 1 - Contract

- (a) Unless otherwise stipulated, any contract based on E.D.C.C. terms and conditions is not contingent upon any other and is to be settled between buyers and sellers without reference to other contracts covering the same parcel.
- (b) The contract shall state whether a tender shall be made for coffee in original bags and/or in bulk. Should the contract fail to specify either a tender shall be made for coffee in original bags.

Article 2 - Quantity

The quantity to be tendered shall be that stated in the contract. A tolerance of 3% in weight, more or less, shall be permitted only if the difference is due to circumstances beyond the control of the sellers.

Article 3 - Tenders

- (a) The duty of the sellers to tender coffee at the agreed time and place is paramount. The failure of any plans or attempts to obtain the coffee shall not release the sellers from their obligation to make the tender.
- (b) Goods must be tendered within the delivery period but not later than noon on the last working day at the sellers' place of business. A tender must state the place of storage, quantity, marks (for coffee in

bags) and any further information needed to identify the goods. In addition, a tender must also state whether or not the coffee has been customs cleared.

- (c) The sellers shall not be permitted to change or substitute a tender once given.

Article 4 - Reweighing and Taring Expenses

- (a) For coffee sold in store, reweights, the reweighing expenses are for buyers' account.
- (b) For coffee sold ex store or F.C.A., reweights, the reweighing expenses are for sellers' account.
- (c) If taring expenses are not included in the reweighing expenses they are for account of the requesting party.

Article 5A - Weights (coffee in bags)

- (a) For coffee sold on landed/warrant weights, weighing and taring shall have taken place in conformity with local custom and the goods shall be invoiced accordingly. In the absence of taring at the place of storage the original tare shall apply. However, should the coffee have been last weighed more than 6 calendar months prior to the date of the tender the coffee shall be reweighed and repiled at sellers' expense during the contractual delivery period and invoiced accordingly.
- (b) For coffee sold on reweights the goods shall be provisionally invoiced on the basis of the previous weights, in which event the sellers shall provide a copy of the relevant weight note.
- (c) For coffee delivered from the store during the contracted delivery period the reweighing and taring (if appropriate) shall take place in conformity with local custom upon delivery.
- (d) For coffee not delivered from the store during the contractual delivery period the reweighing and taring (if appropriate) shall take place in conformity with local custom not later than 28 calendar days following such period. The reweighing shall be effected either whilst in or upon delivery from the place of storage.

It shall be the obligation of the buyers to ensure that reweighing takes place within such time limit.

For coffee reweighed whilst in store, the additional costs compared to reweighing upon delivery shall be for account of the buyers.

Should the reweighing take place later than 28 calendar days following the contractual delivery period the sellers shall be permitted to regard the provisional invoice weights as final.

Article 5B - Weights (coffee in bulk)

- (a) For coffee sold on landed/warrant weights weighing shall have taken place in conformity with local custom and the goods shall be invoiced accordingly. However, should the coffee have been last weighed more than 6 calendar months prior to the date of the tender the contract shall be treated as a reweights contract.
- (b) For coffee sold on reweights the goods shall be provisionally invoiced on the basis of the previous weights.
- (c) Reweighing shall take place in conformity with local custom upon delivery from the place of storage. Should delivery be effected later than 28 calendar days following the contractual delivery period the sellers shall be permitted to regard the provisional invoice weights as final.

Article 6 - Supervision of Reweighing

- (a) Each of the parties can require the reweighing and taring (if appropriate) to be supervised provided they give notice to the other party in due time and bear the costs thereof.
- (b) Where supervisors have been appointed, reweighing and taring (if appropriate) may be carried out if the supervisors, though informed in good time of the place and time of reweighing and taring, are not present. Such reweight and tare must then be accepted.

Article 7 - Reweight Note

Either party shall forward to the other party a detailed reweight note as quickly as possible but not later than 28 calendar days from the date of

reweighing, failing which the sellers shall be permitted to regard the provisional invoice weights as final.

Provided intermediaries and buyers/sellers of the same parcel forward a reweight note not later than 2 working days after receipt, such reweight note shall be considered to have been forwarded in time.

Article 8 - Quality

- (a) Quality shall be in accordance with the contract description.
- (b) All goods contracted for shall be of sound merchantable quality unless otherwise stated in the contract or shown to the contrary by the sale sample or samples.
- (c) Any difference in quality established by arbitration shall entitle buyers to an allowance which may include compensation for costs, expenses and inconvenience.
- (d) Where there is specific evidence that the coffee is unsound and/or there is a radical difference in quality, the buyers may seek an allowance or that the contract be discharged by invoicing back the coffee. One criterion as to whether coffee is unsound is an excessive moisture level.

Where arbitrators establish that the coffee is unsound and/or there is a radical difference in quality, in awarding invoicing back, they shall establish the price having in mind all the circumstances concerned.

Where arbitrators establish that the coffee is not unsound and/or there is not a radical difference in quality, they may award an allowance which may include compensation for costs and expenses.

Article 9 - Samples

- (a) Not later than the date of tender the sellers shall give instructions, for their account, for a representative sample of minimum 250 grams to be drawn by a qualified body and sent to them per courier within 2 working days at the place of storage.

- (b) As long as the goods have not been delivered, the sellers are obliged to co-operate fully if the buyers wish further samples to be drawn for their account.
- (c) Samples for arbitration purposes shall be drawn and sealed by a qualified body not later than 14 days from the date of tender in conformity with local custom.
- (d) Each of the parties can appoint supervisors in whose presence the samples shall be drawn and jointly sealed provided they give notice to the other party in due time and bear the costs thereof.
- (e) Where supervisors have been appointed by one or both parties, sampling may be carried out if any of the supervisors, though informed in good time of the place and time of sampling, are not present. In such an event, the samples drawn and sealed by a qualified body (and if appropriate, jointly sealed by one of the supervisors) shall be accepted. Should the buyers fail to inform the sellers' supervisors, they forfeit the right to any claim based on quality.

Article 10 - Delivery Period

- (a) The delivery period shall be that stated in the contract.
- (b) It is permitted to take partial delivery, any extra expenses resulting thereof are for account of the buyers.
- (c) The warehouse/shed rent is for account of the sellers up to 14 calendar days following the date of tender.

Article 11 - Delivery Instructions

If the contract has been concluded on the condition F.C.A., delivery instructions shall be given by the buyers in sufficient time to enable the sellers to comply within the contractual delivery period.

Failing this, the sellers shall be entitled:

- (i) to complete delivery on an in store basis, and
- (ii) to deduct the costs for bringing the goods to F.C.A..

Article 12 - Delivery

Delivery of the goods takes place by presentation of:

- (i) such a document which gives the buyers unencumbered title to the goods purchased;
- (ii) invoice or provisional invoice;
- (iii) ICO documents, if required, covering the delivered quantity;
- (iv) for coffee sold on landed weights a copy of the weight note;
- (v) for coffee sold on reweights a copy of the relevant weight note, basis the previous weights;
- (vi) any other document as prescribed in the contract.

The buyers shall always take up documents which conform with the conditions of the contract. Obvious clerical errors shall not permit buyers to refuse payment, provided such errors are corrected in due time, explained or justified in reasonable terms.

Article 13 - Duty

- (a) In respect of coffee which at the time of tender qualifies for a preferential rate of import duty into the country of the agreed place of delivery, such documents which are necessary to take delivery at the preferential rate shall either have been lodged with and accepted by the relevant authorities or shall be presented to the buyers, failing which the buyers shall effect payment at the contract price less the preferential advantage.
- (b) If at the time of making the contract it was agreed that the coffee is destined for importation into a country other than that of the agreed place of delivery, the sellers shall provide such proper documents as to enable the buyers to import the coffee at any preferential advantage, failing which the buyers shall effect payment at the contract price less the preferential advantage.

Article 14 - Payment

- (a) Payment shall be made:
 - (i) at the time stipulated, or
 - (ii) within 14 calendar days from the date of tender prior to

release of the goods by the sellers to the buyers.

- (b) For coffee sold on landed/warrant weights payment shall be effected for the invoice value.
- (c) For coffee sold on reweights payment shall be effected for the provisional invoice value and final settlement shall be made on the basis of the reweights.
- (d) If required by sellers, the buyers shall nominate a bank through which documents shall be presented. Collection charges made by the nominated presenting bank shall be for account of sellers and shall be reasonable as compared to charges made locally. Any proven difference shall be for account of buyers. Payment charges made by the buyers' bank shall be for account of the buyers.
- (e) The coffee remains the property of the sellers until it has been paid for in full , even if the sellers have already parted with the coffee or with the documents which represent it.

Article 15 - Non-Performance

- (a) Claims for failure to perform must be clearly formulated not later than 14 calendar days from the date of such failure.
- (b) Where a party claims non-performance, provided that 2 clear working days notice be given to the other party at his place of business, the claimant shall have the right to declare the other party to be in default with damages failing which the contract shall be deemed to be discharged without allowance, unless the parties agree otherwise.
- (c) The 2 clear working days' notice period refers to working days at the recipient's place of business.

Article 16 - Default

- (a) The defaulting party shall pay on demand any damages. Consequential damages are excluded. If he fails to pay or should be dissatisfied with the amount of damages, the matter shall be determined by arbitration.

- (b) The date of default shall, failing amicable settlement, be decided by arbitration.
- (c) Damages are to be computed on the mean contract quantity.

Article 17 - Loss and/or Damage

- (a) The coffee shall be at sellers' risk up to the time as stipulated below:
 - (i) for contracts made on an in/ex store basis:
up to the time the goods are placed at the disposal of the buyers and/or all documents required by the buyers are at their disposal or in their possession;
 - (ii) for contracts made on an F.C.A. basis:
up to the time the goods are loaded on/in the conveyance arranged by or upon instructions from the buyers or their representatives;
- (b) Should the whole or part of the goods become damaged whilst at sellers' risk, the buyers shall have the option of accepting such whole or part with a fair allowance to be mutually agreed or decided by arbitration, or of rejecting such whole or part without replacement by the sellers.
- (c) Should the whole or part of the goods become destroyed or lost whilst at sellers' risk, the contract for such whole or part shall be void.

Article 18 - Arbitration

- (a) Any dispute which the parties are unable to resolve amicably shall be determined by arbitration at the place stated in the contract and under the rules and customs of the arbitral body for the coffee trade there established. Should no place of arbitration be stipulated in the contract and no agreement can be reached by the parties, the venue of arbitration shall be decided by the ECF Contracts Committee.
- (b) The formal decision to initiate arbitration proceedings shall be notified by one party to the other within the following time limits:

- (i) quality disputes: not later than 28 calendar days from the date the claim was formulated;
 - (ii) other disputes: not later than 90 calendar days from the date one party formally notifies the other that the dispute apparently cannot be resolved amicably and arbitration proceedings shall be initiated.
- (c) Where the rules of the arbitral body require that a step be taken to initiate the arbitration, including a formal application for arbitration to such arbitral body or the appointment of an arbitrator, such step must be taken within the above time limits.
- (d) Where one of the parties fails to comply with an arbitration award which has become final, the other party may request the coffee trade organisation under whose rules the arbitration was held to post the name of the defaulting party and/or bring it to the notice of its members and through the ECF any person or organisation with or having an interest in coffee.

Each of the recipients of such notification may in turn bring it to the notice of its own members or otherwise publish the same.

In no circumstances shall any person or organisation be liable to any party to an arbitration in respect of the posting or notification of the name of a defaulting party under an arbitration award whether or not such award shall have been subsequently complied with.

By acceptance of the contract and its arbitration clauses the parties are deemed to have agreed to this condition.

Article 19 - Jurisdiction

- (a) Whatever the residence of the parties concerned, they agree that in the event of arbitration or Court proceedings or any other dispute resolution procedure the contract shall be interpreted according to the law in force in the country in which the parties have stated in the contract the arbitration is to be held or (as the case may be) in which the ECF Contracts Committee has decided the arbitration is to be held.

- (b) In order to enforce an arbitration award duly given, direct recourse may be had to the courts of the place where the defaulting party is established.
- (c) The following shall not apply to this contract:
 - (i) 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;
 - (ii) the United Nations Convention on Contracts for the International Sale of Goods of 1980;
 - (iii) the United Nations Convention on Prescription (Limitation) in the International Sale of Goods Act 1974 and the amending protocol of 1980.

Article 20 - Definitions

- (a) Where the question of time limits is raised in the E.D.C.C., the first day is the day following the date of contract, tender, weighing, sampling, claims etc.
- (b) Where an act has to be done by either of the parties on or before a specified calendar day and such day falls on a non-working day, such act must then be done on or before the following working day.

Article 21 – Notices

- (a) All notices required to be given under the contract shall be given only by one or more of the following methods:
 - (i) facsimile,
 - (ii) e-mail,
 - (iii) eCops,
 - (iv) any other method of written electronic communication provided that a record of the notice is capable of being preserved by both parties and printed by both parties and

that such method of communication has been expressly agreed in writing.

- (b) If there is a dispute as to whether or not a notice was given in accordance with this Article 21 such dispute shall be determined in all the circumstances of the case and on the balance of probabilities.

Article 22 - Brokerage/Commission

Brokerage/intermediary's commission becomes due on the making of the contract without regard to its performance and is payable on whichever of the following events first happens, viz. on fulfilment of the contract, on default by either party or on cancellation.

European Contract for Coffee (ECC)

Revised Article 27. Effective for contracts made on and after the 1st September 2007

Article 27 - Notices

- (a) Notices required to be given under the contract shall be given only by one or more of the following methods:
 - (i) facsimile,
 - (ii) e-mail,
 - (iii) eCops,
 - (iv) any other method of written electronic communication provided that a record of the notice is capable of being preserved by both parties and printed by both parties and that such method of communication has been expressly agreed in writing.

- (b) If there is a dispute as to whether or not a notice was given in accordance with this Article 27 such dispute shall be determined in all the circumstances of the case and on the balance of probabilities.

European Free Carrier Contract for Coffee (E FCA CC)

Revised Article 26. Effective for contracts made on and after the 1st September 2007

Article 26 - Notices

- (a) Notices required to be given under the contract shall be given only by one or more of the following methods:
 - (i) facsimile,
 - (ii) e-mail,
 - (iii) eCops,
 - (iv) any other method of written electronic communication provided that a record of the notice is capable of being preserved by both parties and printed by both parties and that such method of communication has been expressly agreed in writing.

- (b) If there is a dispute as to whether or not a notice was given in accordance with this Article 26 such dispute shall be determined in all the circumstances of the case and on the balance of probabilities.