

CONTRACT CONFIRMATION – SAGOS VERSION 8

(Approved by Animal Feed Manufacturers Association, Grain Silo Industry, Grain South Africa,
National Chamber of Milling, S A Cereals and Oilseeds Trade Association)

The terms and conditions of the SAGOS Version 8 contract form applies to this Contract Confirmation. The parties declare themselves to be fully acquainted with the terms and conditions and which apply to this transaction to the extent that they are not contradictory to what has been specifically agreed herein. The clause numbers used below refer to the clause numbers of the SAGOS Version 8 contract form. All other clauses of SAGOS Version 8 numbered 10,11,12,13,14,15,16,17,18,19,20,21,22,23,24 and 25 apply without amendment, unless specifically recorded herein.

Contract Date: -----

Buyer's Ref: ----- Seller's Ref: ----- Broker's Ref: -----

SELLER: -----

Acting as Broker only: -----

BUYER: -----

- A. FAILURE OF THE RECEIVER OF THIS CONFIRMATION TO SIGN AND RETURN IT TO THE ISSUER SHALL NOT RENDER THE TRANSACTION INVALID UNLESS THE VERBAL AGREEMENT SPECIFICALLY PROVIDES FOR SUCH A REQUIREMENT. OTHERWISE IRRESPECTIVE OF THE LACK OF RECEIVER'S SIGNATURE THE DETAILS ENTERED HEREIN SHALL BE CONTRACTUAL AND ENFORCEABLE.
- B. Every item marked with an asterisk* requires a choice to be made. This must be clearly marked by both BUYER and SELLER.
- C. INCO Terms 2000 or subsequent versions of INCO Terms are to apply.

1. SELLER and BUYER being the only two parties who have any rights whatsoever under this contract have this day entered into a contract whereby the BUYER agrees to buy and the SELLER agrees to sell commodities not necessarily being the SELLER'S own produce, on the following terms and conditions:

Commodity type *

Origin * State country of origin -----

2. **Quality**
All commodities to which this contract refers shall be good, sound and merchantable, and fit in all respects for the purpose for which they were purchased. The BUYER shall have the right of rejection if the commodities do not comply with this requirement. (Refer Clause 10).
Commodities sold on *

Contractual quality and condition of commodity for each individual consignment as under: Specifications as per the laws governed by the RSA Agricultural Products Standards Act 1990, or any amendments thereof, including any other, as follows:

3. **Quantity**
3.1. ----- metric tons ----- % more or less or to the nearest full road or rail truck (whichever is the lesser quantity) at the contract price.

4. **Price** ----- per metric ton Net Gross

5. **Place Of Despatch/Delivery**

 (PLACE)

6. **Despatch/Delivery**

6.1

DESPATCH

DELIVERY

 *

6.2

BULK

BAGS

 *

[Stipulate Weight]

6.3 PERIOD FROM ----- UP TO -----

6.4 RATE -----

6.5 METHOD -----

7. **Payment Terms**

Payment shall be made in ----- (PLACE) within ----- days against presentation of the following documents:

 Should the BUYER make payment after any agreed date, he shall be in default and shall be liable to pay interest at ----- % per annum, from the date on which payment was due until the date on which payment is made. Such default shall not be grounds for cancellation by the SELLER of any balance of the contract for which payment is being made.

8. **Warehouse and/or silo Storage and Handling costs**

Storage costs shall be paid by

SELLER

BUYER

 *

Handling IN until ----- shall be paid by

SELLER

BUYER

 *

Handling OUT until ----- shall be paid by

SELLER

BUYER

 *

9. **Mass Determination**

Where the commodity has been sold "on-farm" the

SELLER

BUYER

 * shall have the commodity weighed at the nearest assized weighbridge. Weighing costs shall be paid by

SELLER

BUYER

 *

10. **Sampling & Analysis**

Where commodity has been sold "on farm" the commodity shall be graded as follows:

[The following abbreviated clauses of SAGOS version 8 are specifically included and referred to]

"16. **Dispute Resolution (Arbitration)**

- (a) Unless the parties agree in writing, any dispute arising out of or under this contract shall be referred to arbitration in accordance with the SAGAS Rules of Arbitration in the edition current at the date of this contract, and the parties agree to be bound by these rules and are deemed to know them.
- (b) If compelling reasons exist why the dispute should be referred to ordinary court litigation rather than to arbitration either party, before the time for commencing arbitration proceedings has lapsed may, in writing, request the other to consent to the arbitration proceedings being waived and for the dispute to be referred to ordinary litigation in the Courts. Should such consent be unreasonably withheld or no answer received within 28 days the party making the request shall be at liberty to commence Court proceedings, leaving it to the other party, if the other party so wishes, to apply for a stay of proceedings invoking the arbitration clause. The Court will then decide whether the arbitration or the Court proceedings should continue. Time for commencing arbitration proceedings shall not run (or if started not continue to run) from the date of such request until the Court has given a final ruling (this including any appeals) as to the proper venue for the dispute to be heard, providing court proceedings are commenced within 28 days of the receipt of any refusal or 56 days from the date of the request if no answer to it is received.

26. **Special Terms**

27. **Domicilia Citandi et Executande. SELLER and BUYER choose domicilium citandi et executandi as follows:"**

SELLER :

BUYER:

Signature of issuer

BUYER*

SELLER*

Signature of receiver

BUYER*

SELLER*