

LONDON NOTICE No. 2751

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WHITE SUGAR FUTURES CONTRACT (EXCHANGE CONTRACT NO. 407)

OPTIONS ON COMMODITY CONTRACTS (EXCHANGE CONTRACT NO. 501)

CONTRACT REVISIONS

LISTING OF THE OCTOBER 2007 DELIVERY MONTH AND THE ASSOCIATED OPTION EXPIRY MONTH

Executive Summary

This Notice informs members of the following revisions to the Contract terms and Administrative Procedures of the White Sugar Futures Contract: (a) amendment to the loading provisions; (b) introduction of new delivery ports; (c) introduction of a policy in respect of delivery from landlocked countries; (d) introduction of basic port criteria; (e) clarification of the conditions under which disputes shall be referred to the Refined Sugar Association for arbitration; and (f) movement of all of the detailed terms relating to Delivery from the Contract terms to the Administrative Procedures. Furthermore, this Notice explains that the October 2007 delivery month of the White Sugar Futures Contract and the associated option expiry month will be made available for trading on the basis of the revised Contract terms and Administrative Procedures on and from 27 March 2006.

1. Introduction

1.1 In order to reflect changes that are taking place in the global white sugar market, including impending reforms to the EU sugar regime, the Exchange has determined, in conjunction with market users, to revise the Contract terms and Administrative Procedures of the White Sugar Futures Contract ("the Contract") in respect of the following:

- (a) amendment to the loading provisions (removal of references to the ASSUC Rules);
- (b) introduction of new delivery ports;
- (c) introduction of a policy in respect of delivery from landlocked countries;

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- (d) introduction of basic port criteria;
- (e) clarification of the conditions under which disputes shall be referred to the Refined Sugar Association (“RSA”) for arbitration; and
- (f) the movement of all of the detailed terms relating to Delivery from the Contract terms to the Administrative Procedures.

2. Details of the Revisions

- 2.1 The Attachments to this Notice set out the necessary revisions and additions to the Contract terms and Administrative Procedures of the Contract and also include the list of new delivery ports. The revisions can be summarised as follows:
- (a) the removal of all references to ASSUC Rules in the Contract terms and their replacement with specific provision concerning loading in the Administrative Procedures (please see the amendments to terms 1.02, 2.04, 18.01 and new Administrative Procedure 3.02(b));
 - (b) the introduction of new delivery ports as set out in the list at Attachment 2 to this Notice;
 - (c) the introduction of a new policy in respect of delivery of white sugar from landlocked countries (revision to term 2.01 and introduction of term 2.02(b));
 - (d) the introduction of basic port criteria (new Administrative Procedure 3.02(a));
 - (e) additional wording to clarify the conditions under which a dispute shall be referred to the RSA for arbitration (amendments to terms 14.01, 14.02 and 18.03);
 - (f) the movement of all detailed terms relating to delivery from term 11 of the Contract terms to a new section (section 3) within the Administrative Procedures; and
 - (g) new term 17.03, which provides for the Board, at its absolute discretion, to amend the Administrative Procedures in respect of existing as well as new Contracts.
- 2.2 The revised Contract terms and Administrative Procedures shall apply to the October 2007 and all subsequent delivery months. The October 2007 delivery month of the Contract and the October 2007 expiry month of the Option on the Contract shall be made available for trading on and from Monday 27 March 2006.
- 2.3 The updated Contract terms and Administrative Procedures will be published on the Euronext website (www.euronext.com) in due course.

For further information in relation to this Notice, members should contact:

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Amendments and additions to the Contract terms and Administrative Procedures of the White Sugar Futures Contract (Exchange Contract No. 407)

(Additions shown underlined/deletions ~~struck through~~)

Contract Terms

1. Interpretation

1.02 In these terms and in the Administrative Procedures:

“Administrative Procedures” means the procedures from time to time implemented by the Board pursuant to the Rules for the purposes of this Exchange Contract.

“adopted rules” means ~~the ASSUC Rules and~~ the RSA Rules.

~~“ASSUC Rules” means the ASSUC Sugar Contract No. 2 for EU FOB Stowed Trade, from time to time in force.~~

“Sugar Charter Party” means the un-amended, unedited form of the Sugar Charter Party which is commonly used in the sugar trade for the carriage by sea of white or refined sugar in bags (as may be revised from time to time) in effect as at the first day of the delivery month.

2. Sugars Tenderable

2.01 Each Contract shall be for white beet or cane crystal sugar or refined sugar ~~of any origin~~ of the crop current at the time of delivery, free running of regular grain size and fair average of the quality of deliveries made from the declared origin from such crop, with minimum polarisation 99.8 degrees, moisture maximum 0.06 per cent, and colour of a maximum of 45 units ICUMSA attenuation index at time of delivery to vessel at the port named in the Seller’s Notice of Tender, as evidenced by a certificate issued in accordance with these terms.

- 2.02
- (a) Delivery shall be at one of the ports included on the list of ports from time to time published by the Board by ~~General~~ Notice, which shall apply to such delivery months specified in the ~~General~~ Notice as the Board may determine. The Board may from time to time list or de-list a port, which shall have such effect with regard to existing or new Contracts or both as the Board may determine in its absolute discretion. Any such determination will be notified to Members by means of a Notice or otherwise as the Board may direct.
 - (b) Subject to term 2.02(a), sugar shall be delivered at a port in the country of origin of the sugar. However, in the case of landlocked countries and sugar originating from a country within the European Union, delivery shall be made at any customary port of export from such country.
 - (c) The Exchange gives no warranty and does not make any representation or promise that any port which is included in any list published by the Board pursuant to this term 2.02 has any particular characteristics or facilities or is safe or suitable in any way whatsoever, and the Exchange shall not be liable for any loss, damage, or delay resulting from conditions at any such port.

2.04 Sugar delivered shall be free of all liens and claims of any kind and shall be freely available for export to any destination except in the case of sugar originating in the European Union which shall only be available for export to destinations outside the European Union. In the case of sugar originating in the European Union, the sugar shall physically leave the geographical area of the European Union without undue delay after loading has been completed, and under no circumstances shall the sugar be re-imported into the European Union. ~~To the extent that the ASSUC Rules contain destination provisions, this term 2.04 shall prevail over such provisions.~~

11. Delivery

11.01 Delivery shall be in accordance with Rule 7 of the RSA Rules and the Administrative Procedures, save that the notice referred to in the second paragraph of Rule 7 of the RSA Rules shall be a notice of fourteen calendar days and shall be given by the Buyer to the Seller and the Clearing House.

~~11.02 Subject to term 11.04, the Seller shall be responsible for all expenses pertaining to delivery and loading of sugar into the vessel, including freight taxes and other taxes of any nature of the country of origin or loading. Subject to term 11.04, the Buyer shall be responsible for all expenses pertaining to pilotage, wharfage, customs fees and similar charges pertaining to the entry and exit of the vessel at loading port.~~

~~11.03 The sugar, whatever its origin or destination, shall be loaded in accordance with the loading provisions of the ASSUC Rules in effect on the Tender Day subject only to the following:~~

~~(a) the sugar shall be loaded at a rate of no less than 1,500 tonnes per weather working day; and~~

~~(b) the demurrage rate shall be the rate specified in the charter party pursuant to which the sugar is carried, and dispatch shall be half of the demurrage rate.~~

~~11.04 Rule 5 of the RSA Rules shall not apply to Contracts, except where express provision is made for its application in these terms. In the event of a conflict between terms 11.05 to 11.09 inclusive and Rule 6 of the RSA Rules, terms 11.05 to 11.09 inclusive shall prevail.~~

~~11.05 (a) The Seller shall, at his own expense, appoint an internationally recognised independent or, with the written consent of the Buyer, a state supervision firm ("the Seller's Supervisor") to supervise and inspect the loading of the sugar to be delivered to the Buyer. Such appointment shall be made not less than 48 hours prior to the Seller commencing loading of the sugar. The Seller shall upon the appointment of the Seller's Supervisor notify the Buyer of such appointment.~~

~~(b) The Buyer may, at his own expense, appoint an internationally recognised independent or, with the written consent of the Seller, a state supervision firm ("the Buyer's Supervisor") to supervise and inspect the loading of the sugar to be delivered to the Buyer in conjunction with the Seller's Supervisor. The Buyer shall notify the Seller of the appointment of the Buyer's Supervisor prior to the Seller commencing to load the sugar.~~

~~(c) If the Buyer has:~~

- (i) ~~appointed a supervisor in accordance with term 11.05(b), the Buyer's Supervisor and the Seller's Supervisor shall conjointly supervise and inspect the loading of the sugar in accordance with term 11.06; or~~
- (ii) ~~not appointed a supervisor, the Seller's Supervisor shall supervise and inspect the loading of the sugar in accordance with term 11.07.~~

~~11.06 The Buyer's Supervisor (where one has been appointed) and the Seller's Supervisor (jointly referred to as "the Supervisors") shall comply with the following procedures:~~

- (a) ~~The Supervisors shall comply with Rules 5(i) to (iv) of the RSA Rules.~~
- (b) ~~The Supervisors shall conjointly take a composite sample of the sugar to be delivered under a Contract part of which shall be divided into three equal parts with any remaining part of the sample being utilised or disposed of as may be agreed between the Supervisors. Each of the three equal parts shall be placed in a separate, new, clean and suitable container, with a seal which only breaks upon opening and which ensures that such container remains airtight until re-opened. Each container shall, in the presence of the Supervisors, be sealed and marked with the name of the vessel, loading port, date of sampling, shipping marks and names of each of the Supervisors. The Seller's Supervisor shall retain one such part of the sample and the Buyer's Supervisor shall retain the other two such parts. Each container shall remain sealed.~~
- (c) ~~Prior to the sugar being loaded on board the vessel, either Supervisor may object to the condition of the sugar and/or packing or weight of the bags, provided that he shall immediately notify the other Supervisor and each Supervisor shall notify his Buyer or Seller, as the case may be, of the objection. The Buyer shall promptly notify the Clearing House of such objection.~~
- (d) ~~Upon the vessel having been loaded with sugar to be delivered under a Contract, the Seller's Supervisor shall issue a certificate of weight, packing and quality (including, without limit, the polarisation, moisture and colour of the sugar) ("the Supervisors' Certificate") in respect of such sugar, provided that the weight, packing or quality of the sugar is either not disputed by the Buyer or if disputed by the Buyer, such dispute has been resolved prior to the issue of the Supervisors' Certificate. A copy of the Supervisors' Certificate shall be promptly provided by the Seller to the Buyer. If the Buyer does not notify the Seller and the Clearing House of a dispute under either term 11.06(c) or (e) or, if a dispute is notified by the Buyer, such dispute has been resolved prior to the issue of the Supervisors' Certificate, the Supervisors' Certificate shall be conclusive evidence as to the weight, packing and quality of the sugar, in the absence of fraud or manifest error. If the Buyer disputes:~~
 - (i) ~~the weight or packing of the sugar under term 11.06(c) and such dispute remains unresolved, then the Supervisors' Certificate shall be prima facie evidence, and not conclusive evidence, as to the weight or packing of the sugar which is in dispute; or~~
 - (ii) ~~the quality of the sugar under term 11.06(c) or (e) and such dispute remains unresolved, then the Supervisors' Certificate shall be disregarded as conclusive evidence as to the quality of such sugar and any Chemist's Certificate issued under term 11.06(j) shall apply;~~

provided that if a Chemist's Certificate is not issued under term 11.06(j), the Supervisors' Certificate shall be regarded as prima facie evidence of the quality of such sugar.

- (e) — ~~The Buyer may dispute the quality of the sugar to be delivered under a Contract no later than two working days after either such sugar has been loaded on board the vessel or receipt of the Supervisors' Certificate, whichever is the later, provided that he has notified the Seller, of the objection. The Buyer shall promptly notify the Exchange and the Clearing House of such dispute, providing details of the name of the vessel, loading port, date of sampling, shipping marks and the name of the Buyer, Seller and each Supervisor.~~
- (f) — ~~If the Buyer has notified the Exchange of a dispute in respect of the quality of the sugar in accordance with term 11.06(e), the Buyer shall instruct the Buyer's Supervisor to send promptly by air courier the part of the sample held by the Buyer's Supervisor, as defined in term 11.06(b), directly to the Exchange. The Buyer shall be responsible for ensuring that a sample is cleared by HM Customs and Excise.~~
- (g) — ~~Subject to term 11.06(h), the Exchange shall deliver the sample which it receives at its premises from either Supervisor to an analytical chemist approved by the Exchange and contained in a list published by the Exchange from time to time by General Notice. The Exchange shall provide the analytical chemist with details of the name of the vessel, loading port, date of sampling, shipping marks and the name of the Buyer, Seller and each Supervisor, as notified to the Exchange under term 11.06(e). The analytical chemist shall analyse the sample in accordance with term 11.06(j).~~
- (h) — ~~If the Exchange receives a sample which has a broken seal then the Exchange shall, in its absolute discretion, determine whether to deliver such sample to the analytical chemist for analysis. If the Exchange, in its absolute discretion, rejects the sample, it will notify the Buyer and the Seller that the sample arrived with a broken seal.~~
- (i) — ~~Immediately upon receiving a notification from the Exchange under term 11.06(h), if:~~

 - (i) — ~~the sample is the first sample sent by the Buyer's Supervisor, the Seller shall instruct the Seller's Supervisor to send promptly by air courier the part of the sample held by it, as defined in term 11.06(b), directly to the Exchange on the same terms as term 11.06(f) and the Exchange shall deliver such further sample to the analytical chemist in accordance with terms 11.06(g) and (h);~~
 - (ii) — ~~the sample is the second sample, sent by the Seller's Supervisor, the Buyer shall instruct the Buyer's Supervisor to send promptly by air courier the other part of the sample held by it directly to the Exchange on the same terms as term 11.06(f) and the Exchange shall deliver such further sample to the analytical chemist in accordance with terms 11.06(g) and (h); and~~
 - (iii) — ~~the sample is the third sample, sent by the Buyer's Supervisor, the Supervisors' Certificate shall be prima facie evidence as to the quality of the sugar.~~

- (j) ~~The analytical chemist shall analyse the sample in accordance with internationally recognised methods for sugar analysis and any methods established from time to time by ICUMSA to establish whether such sample meets the quality requirements of the sugar under term 2.01. The analytical chemist shall issue a certificate as to the quality of the sugar a copy of which shall be immediately provided to each of the Seller and the Buyer (“the Chemist’s Certificate”). The Chemist’s Certificate shall be conclusive evidence as to the quality of the sugar, in the absence of fraud or manifest error.~~
- (k) ~~The Buyer shall pay all costs and expenses relating to or arising out of any sample sent by a Supervisor, and the analysis of a sample by an analytical chemist, in accordance with this term 11.06, (including, but not limited to, transportation, excise duty, import duty or other charges levied by customs at the port of export or import, analysis and certification costs in relation to such sample). If the Chemist’s Certificate is in favour of the Buyer, then the Seller shall indemnify the Buyer in relation to any such costs and expenses.~~

~~11.07 The Seller’s Supervisor shall comply with the following procedures:~~

- (a) ~~The Supervisors shall comply with Rules 5(i) to (iv) of the RSA Rules.~~
- (b) ~~The Seller’s Supervisor shall issue a certificate of weight, packing and quality (including, without limit, the polarisation, moisture and colour of the sugar) a copy of which shall be promptly provided to the Seller (“the Seller’s Certificate”). The Seller’s Certificate shall be prima facie evidence as to the weight, packing and quality of the sugar.~~

~~11.08 The Exchange shall not be liable in respect of any cost, loss, damage, claim or expense of any nature suffered or incurred by any person for: the performance or non-performance of any analytical chemist which the Exchange approves; any determination, act or omission of the Exchange, its officers, employees, agents or representatives in respect of a delivery or failure to deliver any sample, or the details relating to a sample, to the analytical chemist; or from any other act or omission of the Exchange, its officers, employees, agents or representatives in respect of the Seller, Buyer or a Supervisor performing or failing to perform its obligations at any port listed by the Exchange from time to time.~~

~~11.09 If either party has a claim, or wishes to bring a claim, as to the quality, weight or packing of the sugar arising out of any provision of terms 11.04 to 11.07, it may refer such claim to arbitration in accordance with these terms.~~

14. Default in Performance

14.01 The provisions of this term 14 shall be subject to the default rules from time to time in force of the Clearing House: and also subject to the provisions of term 18.03.

14.02 For the purposes of this term 14, a reference to a “default in performance” shall, subject to term 14.04, be construed as including an actual failure or an anticipated failure by a Seller or a Buyer under term 14.02 in performing its obligations under a Contract or an anticipated failure at any time before the time of tender on the Tender Day. An anticipated failure is one which the Clearing House, in its reasonable opinion, considers will occur at any time before the time of tender on the Tender Day

and in respect of which the Clearing House considers that it should take action under the provisions of this term 14.

17. Rules, Administrative Procedures etc
- 17.03 The Board may at its discretion at any time revoke, alter or add to the Administrative Procedures. Any such amendment shall have such effect on existing as well as new Contracts as the Board may direct and will be notified to Members by means of a Notice or otherwise as the Board may direct.
18. Adopted Rules
- 18.01 From the time of tender on the Tender Day a Contract shall be subject to the RSA Rules, except where otherwise stated in these terms or the Administrative Procedures, ~~and, in the event that sugar originating in the European Union is delivered, to the ASSUC Rules as fully as if the same had been expressly set out herein and in the tender. To the extent that the RSA Rules are inconsistent with the ASSUC Rules the latter shall prevail.~~
- 18.02 Subject to term 18.04, to the extent that the adopted rules are inconsistent with these terms and the Administrative Procedures the adopted rules shall prevail.
- 18.03 All disputes arising ~~in respect of an event occurring at any time from~~ at or after the time of tender on the Tender Day shall be referred to the council of the Refined Sugar Association for settlement in accordance with its rules relating to arbitration, subject always (where the Clearing House is a party) to Rule 6.2.1.
- 18.04 Term 2.03, term 2.04, ~~terms 11.03 to 11.09 inclusive and term 15 and Administrative Procedures 3.02 to 3.08 inclusive~~ shall prevail over the provisions of the adopted rules.

Administrative Procedures

1. Index

In these Administrative Procedures:

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2. Timetable
3. Delivery

3. Delivery

3.01 Subject to Administrative Procedure 3.03:

- (a) the Seller shall be responsible for all expenses pertaining to delivery and loading of sugar into the vessel, including freight taxes and other taxes of any nature of the country of origin or loading; and
- (b) the Buyer shall be responsible for all expenses pertaining to pilotage, wharfage, customs fees and similar charges pertaining to the entry and exit of the vessel at the loading port.

- 3.02 (a) Subject to Contract term 2.02, the Seller shall ensure that the port at which the sugar is to be delivered shall:
- (i) be capable of providing a berth or anchorage at which the sugar shall be loaded that will enable vessels drawing 9.2 metres salt water and with length overall (LOA) of up to 190 metres to proceed to and depart from such berth or anchorage always safely afloat. If the draft of the vessel nominated to load the sugar so permits, a berth of less than 9.2 metres salt water and/or length overall of up to 190 metres may be provided;
 - (ii) have storage close to and/or transport facilities to the loading berth, to allow for uninterrupted loading at the prescribed minimum loading rate;
 - (iii) have sampling facilities to allow independent supervision companies to operate unimpeded in accordance with these terms;
 - (iv) have access for independent supervision companies to ensure compliance with these terms.
- (b) The sugar, whatever its origin or destination, shall be loaded in accordance with the following provisions:
- (i) vessels presented may be geared or gearless;
 - (ii) at each loading port, even if loading commences earlier, laytime for loading to begin at 1400 hours if written/cabled/telexed notice of readiness to load is tendered to agents before noon and at 0800 hours next working day if written/cabled/telexed notice of readiness to load is tendered to agents after noon. Notice of readiness to load to be tendered to agents in ordinary office hours, Saturdays afternoon, Sundays (or local equivalents) and holidays excepted, whether in berth or not;
 - (iii) laydays at the average rate of 1,500 metric tonnes calculated on gross weight provided vessel can receive at this rate, basis 4 or more hatches (if less than 4, pro-rata), per weather working day of 24 consecutive hours, time from noon Saturdays to 0800 hours Mondays (or local equivalents) and from 1700 hours day preceding a holiday until 0800 hours next working day excepted, even if used, shall be allowed to the Seller for loading. Vessels having less than 4 hatches but with any hatch exceeding 15 metres in length and able to work 2 gangs simultaneously shall have such hatch counted as 2 hatches. Time employed in shifting anchorages and/or loading places within the same port or its jurisdiction not to count as laytime. At loading port(s) in the event of congestion Master has the right to tender notice of readiness to load at the customary waiting place in ordinary office hours by cable/telex to agents whether in berth or not, whether in port or not, whether in free pratique or not, whether customs cleared or not. Time proceeding from customary waiting place to loading berth/anchorage not to count as laytime;
 - (iv) the demurrage rate shall be the rate specified in the charterparty pursuant to which the sugar is carried, and despatch shall be half of

the demurrage rate. Such rates shall be declared by the Buyer to the Seller latest on tendering notice of readiness to load and to be in line with the prevailing market rate for like type and size of vessel as at the first day of the delivery month; and

- (v) all other terms pertaining to loading to be in accordance with the Sugar Charter Party.

3.03 Rule 5 of the RSA Rules shall not apply to Contracts, except where express provision is made for its application in the Contract terms and these Administrative Procedures. In the event of a conflict between Administrative Procedures 3.04 to 3.08 inclusive and Rule 6 of the RSA Rules, Administrative Procedures 3.04 to 3.08 inclusive shall prevail.

3.04 (a) The Seller shall, at his own expense, appoint an internationally recognised independent or, with the written consent of the Buyer, a state supervision firm ("the Seller's Supervisor") to supervise and inspect the loading of the sugar to be delivered to the Buyer. Such appointment shall be made not less than 48 hours prior to the Seller commencing loading of the sugar. The Seller shall upon the appointment of the Seller's Supervisor notify the Buyer of such appointment.

(b) The Buyer may, at his own expense, appoint an internationally recognised independent or, with the written consent of the Seller, a state supervision firm ("the Buyer's Supervisor") to supervise and inspect the loading of the sugar to be delivered to the Buyer in conjunction with the Seller's Supervisor. The Buyer shall notify the Seller of the appointment of the Buyer's Supervisor prior to the Seller commencing to load the sugar.

(c) (i) If the Buyer has appointed a supervisor in accordance with Administrative Procedure 3.04(b), the Buyer's Supervisor and the Seller's Supervisor shall conjointly supervise and inspect the loading of the sugar in accordance with Administrative Procedure 3.05.

(ii) If the Buyer has not appointed a supervisor, the Seller's Supervisor shall supervise and inspect the loading of the sugar in accordance with Administrative Procedure 3.06.

3.05 The Buyer's Supervisor (where one has been appointed) and the Seller's Supervisor (jointly referred to as "the Supervisors") shall comply with the following procedures:

(a) the Supervisors shall comply with Rules 5(i) to (iv) of the RSA Rules;

(b) the Supervisors shall conjointly take a composite sample of the sugar to be delivered under a Contract part of which shall be divided into three equal parts with any remaining part of the sample being utilised or disposed of as may be agreed between the Supervisors. Each of the three equal parts shall be placed in a separate, new, clean and suitable container, with a seal which only breaks upon opening and which ensures that such container remains airtight until re-opened. Each container shall, in the presence of the Supervisors, be sealed and marked with the name of the vessel, loading port, date of sampling, shipping marks and names of each of the Supervisors. The Seller's Supervisor shall retain one such part of the sample and the Buyer's Supervisor shall retain the other two such parts. Each container shall remain sealed;

- (c) prior to the sugar being loaded on board the vessel, either Supervisor may object to the condition of the sugar and/or packing or weight of the bags, provided that he shall immediately notify the other Supervisor and each Supervisor shall notify his Buyer or Seller, as the case may be, of the objection. The Buyer shall promptly notify the Clearing House of such objection;
- (d) upon the vessel having been loaded with sugar to be delivered under a Contract, the Seller's Supervisor shall issue a certificate of weight, packing and quality (including, without limit, the polarisation, moisture and colour of the sugar) ("the Supervisors' Certificate") in respect of such sugar, provided that the weight, packing or quality of the sugar is either not disputed by the Buyer or if disputed by the Buyer, such dispute has been resolved prior to the issue of the Supervisors' Certificate. A copy of the Supervisors' Certificate shall be promptly provided by the Seller to the Buyer. If the Buyer does not notify the Seller and the Clearing House of a dispute under either Administrative Procedure 3.05(c) or (e) or, if a dispute is notified by the Buyer, such dispute has been resolved prior to the issue of the Supervisors' Certificate, the Supervisors' Certificate shall be conclusive evidence as to the weight, packing and quality of the sugar, in the absence of fraud or manifest error. If the Buyer disputes:
- (i) the weight or packing of the sugar under Administrative Procedure 3.05(c) and such dispute remains unresolved, then the Supervisors' Certificate shall be prima facie evidence, and not conclusive evidence, as to the weight or packing of the sugar which is in dispute; or
- (ii) the quality of the sugar under Administrative Procedure 3.05(c) or (e) and such dispute remains unresolved, then the Supervisors' Certificate shall be disregarded as conclusive evidence as to the quality of such sugar and any Chemist's Certificate issued under Administrative Procedure 3.05(j) shall apply, provided that if a Chemist's Certificate is not issued under Administrative Procedure 3.05(j), the Supervisors' Certificate shall be regarded as prima facie evidence of the quality of such sugar;
- (e) the Buyer may dispute the quality of the sugar to be delivered under a Contract no later than two working days after either such sugar has been loaded on board the vessel or receipt of the Supervisors' Certificate, whichever is the later, provided that he has notified the Seller, of the objection. The Buyer shall promptly notify the Exchange and the Clearing House of such dispute, providing details of the name of the vessel, loading port, date of sampling, shipping marks and the name of the Buyer, Seller and each Supervisor;
- (f) if the Buyer has notified the Exchange of a dispute in respect of the quality of the sugar in accordance with Administrative Procedure 3.05(e), the Buyer shall instruct the Buyer's Supervisor to send promptly by air courier the part of the sample held by the Buyer's Supervisor, as defined in Administrative Procedure 3.05(b), directly to the Exchange. The Buyer shall be responsible for ensuring that a sample is cleared by HM Customs and Excise;

- (g) subject to Administrative Procedure 3.05(h), the Exchange shall deliver the sample which it receives at its premises from either Supervisor to an analytical chemist approved by the Exchange and contained in a list published by the Exchange from time to time by General Notice. The Exchange shall provide the analytical chemist with details of the name of the vessel, loading port, date of sampling, shipping marks and the name of the Buyer, Seller and each Supervisor, as notified to the Exchange under Administrative Procedure 3.05(e). The analytical chemist shall analyse the sample in accordance with Administrative Procedure 3.05(j);
- (h) if the Exchange receives a sample which has a broken seal then the Exchange shall, in its absolute discretion, determine whether to deliver such sample to the analytical chemist for analysis. If the Exchange, in its absolute discretion, rejects the sample, it will notify the Buyer and the Seller that the sample arrived with a broken seal;
- (i) immediately upon receiving a notification from the Exchange under Administrative Procedure 3.05(h):
 - (i) if the sample is the first sample sent by the Buyer's Supervisor, the Seller shall instruct the Seller's Supervisor to send promptly by air courier the part of the sample held by it, as defined in Administrative Procedure 3.05(b), directly to the Exchange on the same terms as Administrative Procedure 3.05(f) and the Exchange shall deliver such further sample to the analytical chemist in accordance with Administrative Procedures 3.05(g) and (h);
 - (ii) if the sample is the second sample, sent by the Seller's Supervisor, the Buyer shall instruct the Buyer's Supervisor to send promptly by air courier the other part of the sample held by it directly to the Exchange on the same terms as Administrative Procedure 3.05(f) and the Exchange shall deliver such further sample to the analytical chemist in accordance with Administrative Procedures 3.05(g) and (h); and
 - (iii) if the sample is the third sample, sent by the Buyer's Supervisor, the Supervisors' Certificate shall be prima facie evidence as to the quality of the sugar;
- (j) the analytical chemist shall analyse the sample in accordance with internationally recognised methods for sugar analysis and any methods established from time to time by ICUMSA to establish whether such sample meets the quality requirements of the sugar under term 2.01. The analytical chemist shall issue a certificate as to the quality of the sugar a copy of which shall be immediately provided to each of the Seller and the Buyer ("the Chemist's Certificate"). The Chemist's Certificate shall be conclusive evidence as to the quality of the sugar, in the absence of fraud or manifest error; and
- (k) the Buyer shall pay all costs and expenses relating to or arising out of any sample sent by a Supervisor, and the analysis of a sample by an analytical chemist, in accordance with this Administrative Procedure 3.05, (including, but not limited to, transportation, excise duty, import duty or other charges levied by customs at the port of export or import, analysis and certification costs in relation to such sample). If the Chemist's Certificate is in favour of

the Buyer, then the Seller shall indemnify the Buyer in relation to any such costs and expenses.

3.06 The Seller's Supervisor shall comply with the following procedures:

- (a) the Supervisors shall comply with Rules 5(i) to (iv) of the RSA Rules; and
- (b) the Seller's Supervisor shall issue a certificate of weight, packing and quality (including, without limit, the polarisation, moisture and colour of the sugar) a copy of which shall be promptly provided to the Seller ("the Seller's Certificate"). The Seller's Certificate shall be prima facie evidence as to the weight, packing and quality of the sugar.

3.07 The Exchange shall not be liable in respect of any cost, loss, damage, claim or expense of any nature suffered or incurred by any person for: the performance or non-performance of any analytical chemist which the Exchange approves; any determination, act or omission of the Exchange, its officers, employees, agents or representatives in respect of a delivery or failure to deliver any sample, or the details relating to a sample, to the analytical chemist; or from any other act or omission of the Exchange, its officers, employees, agents or representatives in respect of the Seller, Buyer or a Supervisor performing or failing to perform its obligations at any port listed by the Exchange from time to time.

3.08 If either party has a claim, or wishes to bring a claim, as to the quality, weight or packing of the sugar arising out of any provision of Administrative Procedures 3.03 to 3.06, it may refer such claim to arbitration in accordance with the Contract terms and these Administrative Procedures.

All Delivery Ports – White Sugar Futures Contract (October 2007 and all subsequent delivery months)N.B New ports are denoted in **bold**.

Country	Delivery Port(s)
Algeria	Bejaia
Argentina	Buenos Aires Rosario
Australia	Mackay Bundaberg Brisbane
Belgium	Antwerp Zeebrugge
Brazil	Recife Maceio Suape Natal Vitoria Santos Imbituba Itajai Paranagua
Bulgaria	Varna
China	Guangzhou Huangpu Shekou Xiamen
Colombia	Buenaventura
Croatia	Rijeka
Cuba	Matanzas
Egypt	Ain Sukhna Alexandria Port Said
France	Calais Dunkirk Le Havre Marseilles Rouen
Germany	Bremen Hamburg Rostock
Guatemala	Puerto Quetzal
India	New Tuticorin Mumbai Kandla Chennai
Italy	Manfredonia
Korea	Inchon Ulsan
Malaysia	Penang Port Kelang

Mauritius	Port Louis
Mexico	Veracruz Manzanillo
Morocco	Casablanca
Mozambique	Beira Maputo
The Netherlands	Amsterdam Delfzijl Eemshaven Flushing Rotterdam
Pakistan	Karachi Port Muhammad Bin Qasim
Philippines	Manila Pulupandan
Poland	Gdansk Gdynia Szczecin
Portugal	Leixoes Lisbon
Romania	Constantza
Russia	Novorossiysk Tuapse
Saudi Arabia	Jeddah
Singapore	Singapore
South Africa	Durban
Spain	Bilbao Cadiz Gijon Santander
Sudan	Port Sudan
Thailand	Bangkok/Kohsichang Laemchabang/Sri Racha
Turkey	Mersin Trabzon
U.A.E.	Jebel Ali
Ukraine	Odessa
United Kingdom	Immingham
U.S.A.	New Orleans Savannah