



***Simple Disputes  
Arbitration Rules  
No. 126***

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**GAFTA**  
**THE GRAIN AND FEED TRADE ASSOCIATION**  
**9 LINCOLN'S INN FIELDS, LONDON WC2A 3BP**  
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## **SIMPLE DISPUTE ARBITRATION RULES NO. 126**

### **1: PLACE OF ARBITRATION**

Arbitration shall take place in the domicile of the Arbitrator, or elsewhere when considered appropriate with the agreement of the Parties, in which case, any travel expenses or related costs incurred by the Arbitrator shall be added to the costs, fees and expenses of the arbitration.

### **2: CLAIM**

In the event of non-compliance with the time limit for claiming arbitration as laid down in GAFTA Arbitration Rules No.125 and of such non-compliance being raised by the Respondents as a defence, claims shall be deemed to be waived and absolutely barred, unless the Arbitrator shall in his absolute discretion, otherwise determine.

### **3: ARBITRATOR: APPOINTMENT AND PROCEDURE**

3:1 Where the Parties agree that the arbitration shall be held in accordance with the GAFTA Simple Dispute Arbitration Rules Form No: 126, they shall send to GAFTA the signed Arbitration Agreement, together with a copy of the Contract and a note of the issue at dispute, by letter, post or by hand, and/or by facsimile, and/or by e-mail, and where agreed the name of the sole arbitrator.

3:2 upon receipt, unless otherwise agreed by the Parties, GAFTA will appoint an arbitrator who shall be the sole Arbitrator. GAFTA will notify the Arbitrator, and the Parties, of his appointment, together with the date of the Arbitration.

3:3 An Arbitrator appointed under these Rules shall be a GAFTA Qualified Arbitrator and shall not be interested in the transaction nor directly interested as a member of a company or firm named as a party to the Arbitration, nor financially retained by any such company or firm, nor a member of nor financially retained by any company or firm financially associated with any party to the arbitration.

3:4 If an Arbitrator dies, or refuses to act, or becomes incapable of acting, or fails to proceed with the arbitration, or is found to be ineligible, GAFTA shall forthwith appoint a substitute.

### **4: ARBITRATION AND HEARING**

4:1 not later than 7 business days from receipt of the notice of the appointment of the Arbitrator, the Claimants shall submit a clear and concise statement of his case and supporting documents to GAFTA and to the Respondents.

4:2 not later than 7 business days from receipt of the Claimants statement and documents, the Respondents shall submit a clear and concise statement of his case and supporting documents to GAFTA and to the Claimants.

4:3 The Claimants have 7 business days from receipt of the Respondents' case to respond in writing to the Respondents and to GAFTA on any new points which had been raised.

4:4 The Arbitrator will consider the documents submitted as above and will proceed with the Arbitration on the date set down by GAFTA.

4:5 If either Party wishes to present their case at an oral hearing, they should notify the other party and GAFTA that they will attend on the date notified by the Association under Rule 3:2.

4:6 The Arbitrator has discretion to re-schedule the date of the arbitration, or oral hearing and GAFTA will notify the Parties accordingly.

### **5: REPRESENTATION**

In the event that there is an oral hearing the Parties may be represented at the arbitration by an agent engaged in the Trade, but they may not be represented by, nor may they engage for the purposes of the presentation or preparation of their case, a solicitor/barrister or other legally qualified advocate or advisor wholly or principally engaged in private practice.

### **6: COSTS, FEES AND EXPENSES**

The total costs and fees for the Arbitration shall be laid down by the Council from time to time, and will be published by GAFTA. In the event that the Arbitrator and/or GAFTA anticipate incurring expenses in connection with the Arbitration, GAFTA will notify the Parties accordingly.

### **7: AWARD**

At the conclusion of the Arbitration, the Arbitrator's decision, including brief reasons, will be available for publication to the Parties, and will be dated and issued to the Parties wherever possible within 7 days. Or, if not previously paid to GAFTA, upon receipt of the costs, fees and expenses. The Arbitrator's Award will be final and binding on the Parties with no right of appeal either to GAFTA or to the Courts.

**8: GENERAL**

**8:1 Arbitrators Appointed Under Form No: 125**

If prior to the Agreement to refer the dispute to the GAFTA Simple Disputes Arbitration, either Party had appointed an Arbitrator as required by the rules in GAFTA Arbitration Rules No.125; such appointment(s) shall be rendered void upon the signing of the Simple Disputes Agreement.

**8:2 Definition of a Simple Dispute**

Any issue of disagreement between the contracting Parties, which to the best of their knowledge does not contain complicated legal issues, lengthy contentions or arguments, and which they also consider requires a quick, simple answer without a fully reasoned award.

If, however, during the course of the arbitration, the Arbitrator finds that the contentions before him contain more complicated issues than he considers falls within the simple dispute definition, he will proceed with the arbitration, but will notify GAFTA. In which event GAFTA may re-assess the costs and fees laid down for the arbitration and notify the Parties accordingly.

**8:3 Notices**

8:3:1 All notices to be given under these Rules shall be given by letter, telex, telegram or by facsimile or by other method of rapid written communication and shall be deemed to be properly given if proved to have been despatched within the required time limits.

A notice to the Brokers or Agents named in the contract shall be deemed a notice under these Rules. So far as concerns such notices, this Rule over-rides, in relation to them, any provisions as to notices that may be contained in the contract.

8:3:2 All Notices, Proceedings and Documents to be served on the Arbitrator shall be given by the means specified in Rule 8:3:1 to the Secretary of the Association at the GAFTA offices and when so given shall be deemed to be properly served. For the purposes of any time limits receipt of such notices by the Association shall be deemed to be the date of receipt by the Arbitrator.

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## ARBITRATION AGREEMENT

**TO: The Grain & Feed Trade Association  
9 Lincoln's Inn Fields  
LONDON WC2A 3BP**

**Telephone: +44 20 7814 9666  
Facsimile: +44 20 7814 8383  
Email: arbitration@gafta.com**

### CLAIMANTS:

Name .....

Address.....

.....

Telephone.....Facsimile.....Email .....

### RESPONDENTS:

Name .....

Address .....

.....

Telephone.....Facsimile.....Email .....

The above Parties agree that for the purposes of arbitration, resulting from a dispute which has arisen from their contract

..... dated, ....., incorporating the terms and conditions of a GAFTA standard form of Contract No:.....and/or GAFTA Arbitration Rules Form No: 125, that the GAFTA Simple Dispute Arbitration Rules shall apply (in place of the arbitration rules contained in Form No: 125), as set out in detail in the Simple Dispute Arbitration Rules Form No: 126.

The parties further agree to exclude recourse to the English Courts for a possible Judicial Review/Appeal and to exclude the right of appeal to the GAFTA Committee of Appeal as provided in Form No. 125. Up to such time as the parties enter into this Agreement the time limits in Form No: 125 shall apply.

Sellers ..... Buyers .....

Signed ..... Signed .....

Dated .....

