

# FEDERATION OF EAST AFRICA FREIGHT FORWARDERS ASSOCIATION (FEAFFA) STANDARD TRADING CONDITIONS

#### **Article 1: INTRODUCTION**

The following are the Standard Trading Conditions adopted by Freight forwarders (referred to individually as the company) affiliated to the Federation of East African Freight Forwarders Association (herein referred to as FEAFFA) through member National Associations. Unless otherwise agreed, these conditions shall be applicable to any form of service provided by the Freight Forwarder.

#### **Article 2: SPECIAL ATTENTION**

The customer's attention is drawn to the Clauses hereof which exclude or limit the company's liability and those which require the customer to indemnify the company in certain circumstances.

#### **Article 3: INTERPRETATION**

In these trading terms and conditions:-

- 3.1 Unless the context clearly indicates a contrary intention, words importing any one gender include the other two genders, the singular includes the plural and vice versa, and natural persons include created entities (corporate or unincorporated) and vice versa;
- 3.2 The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have a corresponding meaning, namely:
  - a) *customer:* shall remain any person, firm, company, close corporation or any other legal entity, their successors in title and assigns and or any agent of any of the foregoing, at whose request or on whose behalf the company undertakes any business, advice, information or service, whether gratuitous or for reward.
  - b) *The company*: means a member of a National Association affiliated to FEAFFA trading under these conditions.
  - c) Freight Forwarder: is one who undertakes or contracts a third party to provide any or the total range of services on behalf of his customer, including but not limited to customs clearance, procurement, transportation, warehousing (including storage in transit) groupage or consolidation, packing, documentation, weighing and measurement of cargo, container leasing, insurance, foreign exchange transaction, etc and includes any parent subsidiary or affiliated company, firm, person or entity of the Freight Forwarder.

- d) Goods: means any goods handled, transported or dealt with by or on behalf of or at the instance of the company or which come under the control of the company or its agents, servants or nominees on the instructions of the customer:
- e) *The owner:* means the owner of the goods to which any business concluded under these trading terms and conditions relates and any other person who is or may have or acquire any interest, financial or otherwise, therein.

#### **Article 4: OWNER'S RISK**

All handling, packing, loading, unloading, warehousing and transporting of goods by or on behalf of or at the request of the company are effected at the sole risk of the customer and/or the owner, and the customer indemnifies the company accordingly.

#### **Article 5: APPLICATION OF TRADING TERMS AND CONDITIONS**

Subject to Article 6 on Applicable Legislation, all and any business undertaken or advice, information or services provided by the company, whether gratuitous or not, is undertaken or provided on these trading terms and conditions.

#### **Article 6: APPLICABLE LEGISLATION**

- 6.1 If the company is obliged, in the execution of any of its duties and /or responsibilities to comply with any law or legislative enactment of any nature whatsoever, then the company by complying therewith shall not be deemed to waive nor abandon any of its rights in terms of these trading conditions.
- 6.2 In addition thereto, in complying with the law, the company shall not be deemed to have assumed any onus, obligation, responsibility or liability in favor of the customer.
- 6.3 These trading terms and conditions and all agreements entered into between the company and the customer pursuant thereto and the terms thereof shall be governed by and construed in accordance with the laws of the country in which the company is registered.
- 6.4 If any of the terms of these trading terms and conditions is in conflict with the law, then and in such event the conflicting terms embodied herein shall be deemed to be amended and/or alteration, shall not in any way affect the remaining provisions of these trading terms and conditions.
- 6.5 If any provision of these terms and conditions is unenforceable, the company shall be entitled to elect (which election may be made at any time) that such provisions shall be severed from the remaining provisions of these terms and conditions which shall not be affected and shall remain of full force and effect.

#### Article 7: THE COMPANY AS A PRINCIPAL OR AN AGENT

The company offers its services on the basis of these trading terms and conditions either as an agent or a principal.

#### 7.1 The Company as a Principal

- 7.1.1 The company transacts as a principal
  - a. Where it issues a transport document or electronic record evidencing its obligation for the delivery of goods
  - b. To the extent it physically handles goods by its own employees and equipment in the course of performing any service in which cases it acts as principal.

- 7.1.2 To the extent that the company contracts as principal for the performance of the customer's instructions, the company undertakes to perform or in its own name to procure the performances of the customer's instructions.
- 7.1.3 These conditions shall apply whenever any claim is made against any employee, agent or independent contractor engaged by the company to perform any transport or related service for the customer's goods, whether such claims are founded in contract or in tort, and the aggregate liability of the company and all such persons shall not exceed the limitations of liability in these conditions.

### 7.2 The Company as an Agent

- 7.2.1 The company acts as an agent
  - a. Unless otherwise agreed in writing, the company in procuring the carriage, storage, packing, handling or otherwise of goods shall act as agent for only and on behalf of the customer.
  - b. Carriage or storage of goods in break bulk form or in or on containers or other specially designed units or with or without other goods of whatsoever nature.
- 7.2.2 The customer authorizes the company to act as its agent in clearing goods through customs
- 7.2.3 The company shall be allowed to enter into any contract it reasonably deems requisite or necessary for the fulfillment of the customers instructions including without limitation contracts for the carriage of goods by any route or person, storage, packing, transport, shipping, loading, unloading and /or handling goods by any person at any place whether by the company whether on shore or afloat for any length of time.
- 7.2.4 The customer acknowledges that when the company acting as an agent for and on behalf of the customer concludes any contract with a third party, such agreement is entered between the customer and the third party whether or not the customer is mentioned in the contract.
- 7.2.5 The company shall on demand by the customer provide evidence of any contracts made on its behalf of the customer.
- 7.2.6 Whether the company is acting as a principal or an agent, the conditions stated herein governing the rights and obligations of the customer and company shall hold.

#### **Article 8: SUB CONTRACTING**

- 8.1 Any business entrusted to the company may in the absolute discretion of the company be fulfilled by the company itself, its servants performing part of or all the relevant services, or the company employing, or entrusting the goods or services to third parties on such conditions as may be stipulated by, or negotiated with, such third parties for the purposes of such part thereof as they may be employed to carry out.
- 8.2 Where the company employs third parties to perform all or any of the functions which it has agreed to perform, the customer agrees that the company shall have no responsibility or liability to its customers for any act or omission of such third party, even though the company may be responsible for the payment of such third party's charges; but the company shall if suitably indemnified against all costs, (including attorney and customer costs) which may be incurred by or awarded against the company, take such action against the third party on the customer's behalf as the customer may direct.

- 8.3 Notwithstanding anything to the contrary contained herein the customer agrees that all goods shall be dealt with by the company on the terms and conditions, whether or not inconsistent with these trading terms and conditions, stipulated by the carriers, warehousemen, government departments, all other parties (whether acting as agents or sub contractors to the company or not) into whose possession or custody the goods may pass, subject to whose authority they may at any time be.
- 8.4 The customer acknowledges that when the company, as agent for and on behalf of the customer concludes any contract with a third party, such agreement is entered between the customer and the third party whether or not the customer is mentioned in the contract.

#### Article 9: COMPANY'S DISCRETION IN THE ABSENCE OF INSTRUCTIONS

In the absence of specific instructions given in time in writing by the customer to the company,

- 9.1 It shall be in the reasonable discretion of the company to decide at what time to perform or to procure the performance of any or all of the acts which may be necessary or requisite for the discharge of its obligations to the customer;
- 9.2 The company shall have an absolute discretion to determine the means, route and procedure to be followed by it in performing all or any of the acts or services it has agreed to perform;
- 9.3 In all cases where there is a choice of tariff rates or premiums offered by any carrier, warehouseman, underwriter, or other person depending upon the declared value of the relevant goods or the extent of the liability assumed by the carrier, warehouseman, underwriter or other person, it shall be in the discretion of the company as to what declaration, if any, shall be made, and what liability, if any, shall be imposed on the carrier, warehouseman, underwriter or other person.

#### **Article 10: COMPANY'S GENERAL DISCRETION**

- 10.1 Notwithstanding anything to the contrary herein contained, if at any time the company should consider it to be in the customer's interests or for the public good to depart from any of the customer's instructions, the company shall be entitled to do so and shall not incur any liability in consequence of doing so.
- 10.2 If events or circumstances come to the attention of the company, its agents, servants, or nominees which, in the opinion of the company, make it in whole or in part, impossible or impracticable for the company to comply with a customer's instructions, the company shall take reasonable steps to inform such customer of such events or circumstances and to seek further instructions. If such further instructions are not timeously received by the company in writing, the company shall, at its sole discretion, be entitled to detain, return, store, sell, abandon, or destroy all or part of the goods concerned at the risk and expense of the customer.

#### **Article 11: INSURANCE**

The company shall endeavor to effect any insurance the customer timeously and in writing instructs it to effect. Such insurance will be subject to such exceptions and conditions as may be imposed by the insurance company or underwriter taking the risk and the company shall not be obliged to obtain separate cover for any risks so excluded. Unless otherwise agreed in writing the company shall not be under any obligation to obtain separate insurance in respect of separate consignments but may insure all or any of such consignments under any open or general policy held by the company from time to time. Should any insurer dispute its liability in terms of any insurance policy in respect of any goods, the customer concerned shall have recourse against such insurer only and the company shall not have any responsibility or liability whatsoever in relation thereto notwithstanding that the premium paid on such policy may differ from the amount paid by the customer to the company in respect thereof. Insofar as the company agrees to arrange insurance, the company acts solely as an agent for and on behalf of the customer.

#### Article 12: COMPANY'S OBLIGATIONS IN THE ABSENCE OF INSTRUCTIONS

Unless specific written instructions are timeously given to and accepted by the company, the company shall not be obliged to -

- 12.1 Make any declaration for the purpose of any statute, convention, or contract, as to the nature or value of any goods or as to any special interest in delivery. In particular, the company shall be under no obligation to make any declaration or to seek any special protection or cover from any carrier in respect of any goods which are, or fall within the definition ascribed thereto by that body of dangerous goods or other goods which require special conditions of handling or storage;
- 12.2 Arrange for any particular goods to be carried, stored or handled separately from other goods.

#### **Article 13: CUSTOMER'S GENERAL RESPONSIBILITIES**

13.1 For all purposes hereunder the customer shall be deemed to have in relation to the customer's business, the goods and the services to be rendered by the company in regard thereto, reasonable knowledge of all matters directly or indirectly relating thereto or arising there from including, without limitation, terms of sale and purchase and all matters relating thereto and the customer undertakes to supply all pertinent information to the company.

#### 13.2 The customer warrants that:

- a. He is either the owner or the authorized agent of the owner of any goods in respect of which the customer instructs the company and that each such person is bound by these trading terms and conditions:
- b. That he has reasonable knowledge of matters affecting the conduct of his business, including but not limited to the terms of sale and purchase of the goods and all other matters relating thereto;
- c. He has complied with all laws and regulations relating to the nature, condition, packing, handling, storage and carriage of the goods;
- d. In authorizing the customer to enter into any contract with the company and/or in accepting any document issued by the company in connection with such contract, the owner, sender or consignee is bound by these trading terms and conditions for itself and its agents and for any parties on whose behalf it or its agents may act, and in particular, but without prejudice to the generality of the aforegoing, it accepts that the company shall have the right to enforce against them jointly and severally any liability of the customer under these trading terms and conditions or to recover from them any sums to be paid by the customer which upon proper demand have not been paid;
- e. All information and instructions supplied or to be supplied by it to the company is and shall be accurate, true and comprehensive, and in particular, without derogating from the generality of the aforegoing, the customer shall be deemed to be bound by and warrants the accuracy of all descriptions, values and other particulars furnished to the company for customs, consular and other purposes, and the customer warrants that it will not withhold any necessary or pertinent information, and indemnifies the company against all claims, losses, penalties, damages, expenses and fines whatsoever, whensoever and howsoever arising as a result of a breach of the aforegoing whether negligently or otherwise including, without derogating from the generality of the aforegoing, any assessment or reassessment.

# Article 14: CUSTOMER'S RESPONSIBILITIES FOR PACKAGED AND CONTAINERIZED GOODS

14.1 All goods will be properly, adequately and appropriately prepared and packed, stowed, labeled and marked, having regard inter alia to the implementation by or on behalf of the company or at its instance of the contract involved, and the characteristics of the goods involved and are capable of withstanding the normal hazards inherent in the implementation of such contract;

- 14.2 Where goods are carried in or on containers, trailers, flats, tilts, railway wagons, tanks or any other unit load devices specifically constructed for the carriage of goods by land, sea or air, (each such device hereinafter individually referred to as "the transport unit") then save where the company has been given and has accepted specific written instructions to load the transport unit, the customer is responsible for ensuring that:
  - a. The transport unit has been properly and competently loaded; and
  - b. The goods involved are suitable for carriage in or on the transport unit; and
  - c. The transport unit is itself in a suitable condition to carry the goods loaded therein and complies with the requirements of all relevant transport authorities and carriers.

#### **Article 15: CUSTOMERS INSTRUCTIONS**

- 15.1 The customer's instructions to the company shall be in writing, precise, clear and comprehensive and in particular, but without limitation shall cover any valuation or determination issued by the customs authorities in respect of any goods to be dealt with on behalf of or at the request of the customer.
- 15.2 Instructions given by the customer shall be recognized by the company as valid only if timeously given in relation to a particular matter in question.
- 15.3 Oral instructions, standing or general instructions or instructions given late, even if received by the company without comment, shall not in any way be binding to the company, but the company may act thereupon in the exercise of its absolute discretion.
- 15.4 The company shall have no obligation to take any action in respect of any goods which may be recognizable as belonging to the customer unless and until it has received suitable instructions relating to those goods together with all necessary documents.

## **Article 16: GOODS REQUIRING SPECIAL ARRANGEMENTS**

Except under special arrangements previously made in writing, the company will not accept or deal with bullion, coin, precious stones, jewellery, valuables, antiques, pictures, human remains, livestock or plants. Should the customer nevertheless deliver such goods to the company or cause the company to handle or deal with any such goods otherwise than under special arrangements previously made in writing, the company shall incur no liability whatsoever in respect of such goods, and in particular, shall incur no liability in respect of its negligent acts or omissions in respect of such goods.

#### Article 17: GOODS REQUIRING PRIOR CONSENT OF THE COMPANY

- 17.1 The customer shall obtain in advance the company's specific written consent to accept into its possession or control or into the possession or control of any of its servants, agents or employees any goods, including radio-active materials, which may be or become dangerous, inflammable or noxious, or which by their nature may injure, damage, taint or contaminate, or in any way whatsoever adversely affect any person, goods or property, including goods likely to harbour or attract vermin or other pests. The customer warrants that such goods, or the case, crate, box, drum canister, tank, flat, pallet, package or other holder or covering of such goods will comply with any applicable laws, regulations or requirements of any authority or carrier and that the nature and characteristics of such goods and all other data required by such laws, regulations or requirements will be prominently and clearly marked on the outside cover of such goods.
- 17.2 If any such goods are delivered to the company, whether or not in breach of the provisions of Article 17.1, such goods may for good reason as the company in its discretion deems fit including, without limitation, the risk to other goods, property, life or health be destroyed, disposed of, abandoned or rendered harmless or otherwise dealt with at the risk and expense of the customer

and without the company being liable for any compensation to the customer or any other party, and without prejudice to the company's rights to recover its charges and/or fees including the costs of such destruction, disposal, abandonment or rendering harmless or other dealing with the goods. The customer indemnifies the company against all loss, liability or damage caused to the company as a result of the tender of goods to the company and/or out of the aforegoing.

#### **Article 18: PERISHABLE GOODS**

- 18.1 Without limiting or affecting any other terms of these trading terms and conditions, goods (whether perishable or otherwise) in the care, custody or control of the company may at the customer's expense be sold or disposed of by the company without notice to the customer, sender, owner or consignee, if
  - a. Such goods have begun to deteriorate or are likely to deteriorate;
  - b. Such goods are insufficiently addressed or marked;
  - c. The customer cannot be identified;
  - d. The goods have not been collected or accepted by the customer or any other person after the expiration of 21 days from the company notifying the customer in writing to collect or accept such goods, provided that if the company has no address for the customer such notice period shall not be necessary, and payment or tender of the net proceeds, if any, of the sale thereof after deduction of those charges and expenses incurred by the company in respect thereof shall be equivalent to delivery of such goods.
- 18.2 Should any amount owing by the customer to the company in respect of any referred to in Article 18.1 become due and payable and remain unpaid, the company shall be entitled and the customer hereby authorizes the company and without first obtaining an order of court, to sell all or any of the goods by public auction or on reasonable notice not exceeding 14 days by private treaty. The net proceeds of any such sale, after deducting therefrom all costs, charges and expenses incurred by the company, shall be applied in reduction or discharge, as the case may be, of the customer's obligations to the company in respect of such goods without prejudice to the company's rights to recover from the customer any balance which may remain owing to the company after the exercise of such rights. Should the total amount collected by the company, after deducting therefrom all costs, charges and expenses incurred by the company in respect thereof, exceed the full amount of the customer's obligations the company shall be obliged to refund such excess to the customer.

#### **Article 19: ACCEPTANCE OF DELIVERY**

When goods are accepted or dealt with upon instructions to collect freight, duties, charges or other expenses from the consignee or any other person, the customer shall remain responsible for the same if they are not paid by such consignee or other person immediately when due.

#### **Article 20: COLLECTION OF EXPENSES**

- 20.1. When goods are accepted or dealt with by the company upon instructions to collect freight, duties, charges or other expenses from the consignee or any other person, the customer shall remain responsible therefore if they are not paid by such consignee or any other person immediately when due.
- 20.1 If accepted by the company, instructions to collect payment on delivery shall be subject to the condition that the company will be entitled to assume that the recipient will effect payment and in the matter of such collection will not be liable for any negotiable instrument which is not met on due date for payment.

#### **Article 21: EXAMINATION OF LANDED GOODS**

- 21.1. Where it is necessary for an examination to be held or other action to be taken by the company in respect of any discrepancy in the goods which are landed from any vessel, aircraft, vehicle or container, no responsibility shall attach to the company for any failure to hold such examination or to take any other action unless the company has been timeously advised by the landing agent that such goods have been landed, which reflect any discrepancy.
- 21.2. The company will not be responsible for examining or counting any goods received by it where such goods are bundled, palletized or packed in any manner such that their number cannot be quickly and easily counted. Should the company undertake to count goods so received, it shall incur no liability in respect of any error or inaccuracy in such counting, whether such error or inaccuracy is the result of negligence on the part of the company or otherwise. The company shall be entitled to levy a charge on the customer for the counting of goods in such circumstances.

# Article 22: DUTIES, TAXES, IMPORTS, LEVIES AND DEPOSITS

- 22.1 The customer whether or not the cause of payment was due to an act, instruction or omission of the sender, owner and /or consignee and their agents, if any shall be liable for any duties, taxes, imposts, levies, deposits, or outlays of whatsoever nature levied by or payable to the authorities, intermediaries or other parties at any port or place for or in connection with the goods and whether at the time of any entry and or at any subsequent time and for any payments, fines, penalties, expenses, loss or damage or whatsoever incurred or sustained by the company in connection therewith or arising thereout.
- 22.2 The company shall bear no liability in consequence of the fact that there may be a change in the rate of duty, wharfage, freight, railage or cartage of any other tariff, before or after performance by the company of any act involving a less favorable rate or tariff or by virtue of the fact that a saving might have been affected in some other way had any act been performed at a different time.

#### **Article 23: CHARGES**

- 23.1 The customer shall pay to the company in cash or in such manner as the company may agree all sums immediately when due without deduction or deferment on account of any claim, counterclaims or set-off and the customer agrees to waive the right of set-off, if any, as against the company.
- 23.2 When the company is instructed to collect freight, duties, charges or other expenses from any person other than the customer, the customer shall remain responsible and shall make payment of the same to the company on receipt of evidence of demand and in the absence of evidence of payment for whatever reason by such other person.
- 23.3 On all amounts overdue to the company, the customer shall pay to the company interest, calculated from the date such amounts are overdue until payment thereof, at the rate of 2% per cent per month.
- 23.4 Notwithstanding and without prejudice to Article 23.3, in the event that the customer fails to pay any sum due to the company within five (5) days from the date any such sum is due, the company shall be entitled at any time thereafter by written notice to the customer declare that:
  - a. all credit terms in respect of all or any part of the Services rendered pursuant to these conditions shall be cancelled, whereupon the same shall be cancelled; and
  - b. all sums payable by the customer to the company in respect of all or any part of the services rendered pursuant to these conditions have become due and payable, whereupon the same shall immediately or in accordance with the terms of such notice become due and payable.

- 23.5 Any dispute as to the amount or accuracy of any invoice issued by the company shall be raised by the customer within 30 days from the date of the invoice, failing which, the customer is deemed to have conclusively accepted that the invoice is complete and accurate.
- 23.6 Unless otherwise expressly agreed in writing, all invoices rendered by the company are payable immediately on sight.
- 23.7 Quotations are given on the basis of immediate acceptance and are subject to withdrawal or revision. Unless otherwise agreed in writing the company shall be, after acceptance, at liberty to revise quotations or charges with or without notice in the event of changes outside the company's control including but not limited to changes in currency exchange rates, rates of freight, rates of taxes, insurance premiums or any charges applicable to the "Goods".

#### **Article 24: RISK OF POSTED ITEMS**

Notwithstanding any prior dealings between the company and the customer, all documents, cash, cheques, bank drafts or other remittances, sent to the company through the post shall be deemed not to have been received by the company unless and until they are actually received by the company and confirmed.

#### **Article 25: LIEN**

All goods and documents relating to goods including bills of lading and import permits, as well as all refunds, repayments, claims and other recoveries, shall be subject to a special and general lien and pledge either for moneys due in respect of such goods or for other moneys due to the company from the customer, sender, owner, consignee, importer or the holder of the bill of lading or their agents, if any. If any moneys due to the company are not paid within 14 days after notice has been given to the person from whom the moneys are due that such goods or documents are being detained, they may be sold by auction or otherwise or in some other way disposed of for value at the sole discretion of the company and at the expense of such person, and the net proceeds applied in or towards satisfaction of such indebtedness.

#### **Article 26: INDEMNITY BY THE CUSTOMER**

- 26.1 The company shall not be liable under any circumstances for any loss, damage or expense arising from or in any way connected with marks, weights, measurements, numbers, brands, contents, quality or description of any goods.
- 26.2 In addition to or without prejudice to the foregoing conditions, the customer shall be deemed to have indemnified the company against all liabilities whatsoever suffered or incurred by the company arising directly or indirectly from or in connection with the customer's instructions or their implementation in relation to the goods and in particular in respect of any liability whatsoever it may be under to:
  - a. Any servant, agent or sub-contractor or any hauler, carrier, warehouseman, or other person whatsoever at any time involved with the goods arising out of any claim made directly or indirectly against any party by the customer by the consignor, consignee or owner of the goods or by any person interested in the goods or by any other person whatsoever, or
  - b. Any owner or consignee of the goods who is not a customer of the company where the company performs the service of a deconsolidation agent, or any other service, or
  - c. Any carrier of the goods if the company is the consignor or consignee of goods.

#### **Article 27: LIMITATIONS OF THE COMPANY'S LIABILITY**

The company shall not be liable for any claim of whatsoever nature and whether for damages or otherwise, howsoever arising including but not limiting the generality of the aforesaid:

- 27.1. Any negligent act or omission or statement by the company or its servants, agents or nominees;
- 27.2. Any act or omission of the customer or agent of the customer with whom the company deals;
- 27.3. Any loss, damage or expense arising from or in any way connected with the marking, labeling, numbering, non-delivery or mis delivery of any goods;
- 27.4. Any loss, damage or expense arising from or in any way connected with weight, measurements, contents, quality, inherent vice, defect or description of any goods;
- 27.5. Any loss, damage or expense arising from or in any way connected with any circumstance, cause or event beyond the reasonable control of the company including but without limiting the generality of the aforesaid, strike, lock out, stoppage or restraint of labour;
- 27.6. Damages arising from loss of market or attributable to delay in forwarding or in transit or failure to carry out any instructions given to the company;
- 27.7. Loss or non delivery of any separate package forming part of a consignment or for loss from a package or an unpacked consignment or for damage or mis delivery;
- 27.8. Loss, damage or injury suffered by the customer or any person whatsoever arising out of any cause whatsoever as a result of the company's execution or attempted execution of its obligations to the customer and /or the customer's requirements or mandate unless
  - a. Such claim arises from a grossly negligent act or omission on the part of the company or its servants; and
  - b. Such claim arises at a time the goods in question are in the actual custody of the company and under actual control; and
- 27.9. Notwithstanding anything to the contrary contained in these terms and conditions, the company shall not be liable for any act or omission or statement by the company, its agents, servants or nominees, whether negligent or otherwise.

#### **Article 28: BREACH**

If the company breaches any of these trading terms and conditions or any agreement between it and the customer and fails to remedy such breach within 30 days of the date of receipt of written notice requiring it to do so then the customer shall be entitled to compel performance by the company of the obligations it has defaulted in, but shall not be entitled to cancel these trading terms and conditions and any agreement between the customer and the company.

#### **Article 29: ARBITRATION**

This Agreement is governed by the laws of the East African Community (EAC) and of the country within EAC in which the Company has its principal place of business. Any differences or disputes arising out of this Agreement shall be referred to arbitration in accordance with the prevailing law and under the provisions of the Arbitration Act/Trade Disputes Act or any amendments thereof. The company and each party shall nominate one arbitrator each, and in case of difference of opinion between the arbitrators, the two nominated arbitrators shall mutually appoint an umpire whose decision shall be final and binding on the Parties. The Arbitrators and Umpires to be appointed under this clause shall only be from the panel of arbitrators duly approved by FEAFFA.

#### Article 30: VARIATION OF THESE TRADING TERMS AND CONDITIONS

No variation of these trading terms and conditions shall be binding on the company unless embodied in a written document signed by a duly authorized director of the company. Any purported variation or alteration of these terms and conditions otherwise than as set out above shall be of no force and affect, whether such purported variations or alteration is written or oral, or takes place before or after receipt of these standard trading terms and conditions.