



Alexandria Cotton Exporters' Association
(ALCOTEXA)



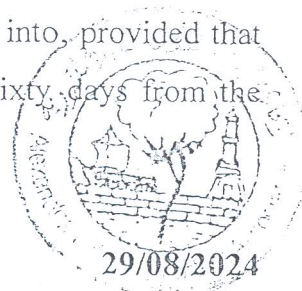
Cotton Export Selling Conditions
For 2024/2025 Season

ALCOTEXA announces Cotton Export Selling Conditions for Egyptian cotton varieties for 2024/2025 season, effective from 30/9/2024 to 31/8/2025, as follows:-

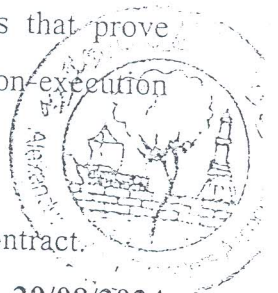
- 1- Export selling prices will be set by agreement between **Buyer and Seller**, and according to shipment date, and whenever shipment is postponed, upon **Buyer's** request, beyond the date defined in the contract and till 31/8/2025, carrying charges to be calculated according to both parties agreement, *ALCOTEXA* will announce, **periodically**, the average of the contracted prices.
- 2- All bids submitted by buyers to cotton export firms, members of Alexandria Cotton Exporters' Association, are subject to *ALCOTEXA's* approval, according to its bylaws.
- 3 - All contracts registered with *ALCOTEXA* are final.
- 4- Payment to be effected in **U.S. Dollars**.
- 5- Contracts may be concluded on basis **F.O.B. - C.I.F. - C.&F. - Free Zone** according to both parties agreement.
- 6- Settlement to be effected on the basis of both parties agreement and according to recognized banking procedures.
- 7- The Seller may grant payment facilities, in which case the Buyer has to open a **L/C** confirmed by a first class bank according to both parties agreement.
- 8- In case of granting facilities to **Free Zone Contracts** in form of Cheques and buyer's payment delaying, the delay burdensome to be calculated in percentage which is agreed between both parties.
- 9- Sales' contracts approved to be registered with *ALCOTEXA* should be accompanied with Buyer's name, country, quantity, variety, type, shipment dates and corresponding price for each shipment date.

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- 10- Registration will not be allowed for (seller – buyer) who did not settle their contracts in previous seasons.
- 11- Contracts are to be issued in metric tons (1000 Kilos) stipulating variety, type, grade & quantity according to both parties agreement. Weight tolerance of $\pm 5\%$ is allowed, and the Buyer must pay for excess weight which is calculated at the original contracted price.
- 12- All contracted cotton must be shipped on the date defined in the contract. Whenever Buyer postpones shipment beyond 31/8/2025 - he must settle the entire value of the quantity postponed according to the contract.
Such being the case, the Buyer will bear storage and insurance expenses at rate of, **at least, 2% monthly** of the value prorata, or to undertake them himself.
- 13- In case of non-execution of all or part of the contract in the date defined in the contract, for reasons imputable to Buyer or Seller, the entire contract will be cancelled. The party who has induced non-execution will bear either a penalty of 10% or the differential between the contracted price and the price prevailed at the time of non execution, whichever is greater, against the value of the unshipped quantities.
- 14- Value of shipped cotton will be calculated on basis of “Humidity Test Certificate” issued by the Cotton Arbitration & Testing General Organization (C.A.T.G.O.), and not to be subject to settlement.
- 15- Switching from one type or variety to another is allowed, according to Buyer’s request and Seller’s approval.
- 16- In case of dispute, the Seller and the Buyer can/may refer the matter to *ALCOTEXA* for arbitration, as follows:-
- A- In case of dispute, Arbitration made at Alexandria Cotton Exporters' Association (*ALCOTEXA*) shall be conducted in two stages, which are the First Degree Arbitration stage and the Appeal stage.
- B- Arbitration requests must be submitted within a maximum period of six months starts from the date of completion of the cotton season in which the contract was entered into, provided that the duration of arbitration requests regarding quality should not exceed sixty days from the date of discharge at port of destination.



- C- The Arbitrators Committee shall be formed from the members of the General Assembly of the Association, and the Management Committee shall determine the fees and expenses of arbitration. The party against whom an arbitration decision is issued shall bear these expenses, and it is permissible for the Arbitration Committee, at its discretion, to determine the percentage borne by each party to the dispute.
- D- 1) The First Degree Arbitration Committee shall consist of three arbitrators, each party of the dispute shall select an arbitrator within ten working days following notification, and the president of *ALCOTEXA* shall appoint a third arbitrator as chairman of the Arbitration Committee.
- 2) In case either party to the dispute fails to select an arbitrator, or if it is impossible for them to do so, within a maximum period of seven working days following expiration of the period prescribed for selecting an arbitrator by both parties, then the president of *ALCOTEXA* shall appoint one on their behalf.
- E- The First Degree Arbitration award shall be issued by a majority vote within ninety days from the date of submission of the request and payment of arbitration fees and expenses. This award shall be enforceable unless a decision to stay execution is issued by either the Appellate Arbitration Committee or Appellate Court.
- F- The First Degree Arbitration award may be appealed before an Appellate Arbitration Committee within thirty days from its issuance or notification to interested parties.
- G- 1) The Appellate Arbitration Committee shall consist of five arbitrators, each party of the dispute shall select two arbitrators within ten working days following notification, and the president of *ALCOTEXA* shall appoint a fifth arbitrator as chairman of the Appellate Arbitration Committee.
- 2) In case either party to the dispute fails to select arbitrators, or if it is impossible for them to do so, within a maximum period of seven working days following expiration of the period prescribed for selecting arbitrators by both parties, then the president of *ALCOTEXA* shall appoint them on their behalf.
- H- The decision of the Appellate Arbitration Committee shall be issued by a majority vote within sixty days from the date of filing the appeal and payment of arbitration fees and expenses, challenging the decision shall not result in a stay of execution unless ordered by the competent court.
- 17- Either the contract signed by both parties or documents and correspondents that prove contracting, should be submitted to *ALCOTEXA* upon seeking arbitration for non-execution of all or part of the contract.
- 18- The aforementioned terms and conditions form an integral part of the Egyptian contract.



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