

5th Coffee Quality Contest Colombia Land of Diversity Online Auction – 29th of October 2020

Your participation in the Auction indicates your review of, and agreement to, the following Rules, Terms, and Conditions of the 5th Coffee Quality Contest “Colombia Land of Diversity”.

INTRODUCTION

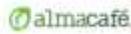
The 5th Coffee Quality Contest, “Colombia Land of Diversity” is the fifth national coffee quality competition organized by the Colombian Coffee Growers Federation. This contest seeks to highlight the diversity of cup profiles that Colombia has, positioning the country as one of the best specialty coffee producers. Bidding for the winning coffee lots may only be done in the online auction, held the 29th of October at 7:00 am Colombian time.

By registering to participate in any auction on this auction platform, conducted by Sensible Development Ltd, all bidders expressly acknowledge that they have read and understood the following terms and conditions of sale and agree to be bound thereby.

DEFINITIONS

As used in these Terms and Conditions, the following words have the meaning set forth below:

1. ‘Auctioneer’ is the Sensible Development Ltd, who operate the platform Sensible Coffee
 - 1.1. Auctioneer Auction Platform
www.sensible.coffee
 - 1.2. Auctioneer Trading Address
Vantage Point
New England Road
Brighton
BN1 4GW
United Kingdom
2. ‘Sensible Coffee Auction Platform’, ‘Auction Platform’ or ‘Platform’ is the website operated by the auctioneer for the purposes of facilitating the sale of coffee on behalf of the seller for the benefit of the buyer.
3. ‘Seller’ is the organisation offering a lot or lots for sale in this auction operated by the auctioneer.
4. ‘Auction Lot’ or ‘Lot’: a specific weight of green coffee offered for sale and described on the page on this auction platform.



5. 'Bidder' is any person registering, participating, making or attempting to make a bid at an Auction Sale.
6. 'Approved Bidder': is any registered person that has been approved by the seller to participate or make a bid at an auction sale.
7. 'Buyer' is the person who makes the highest bid accepted by the auctioneer, including the principal of any Bidder acting as an agent.
8. 'Final Price' is the highest bid accepted by the auctioneer at the end of the auction.
9. 'Auction End' is the moment at which the time on the auction clock reaches zero. This is the point at which no more bids will be accepted.
10. 'Buyer's Expense' means all costs or expenses payable by the Buyer in addition to the Purchase Price, in connection with the sale, such as applicable documentation, insurance, and shipping costs.
11. 'Purchase Price': is the sum of the Final Price and the Buyer's Expense including commission paid by the buyer.
12. 'Buyers Commission' is the amount paid by the buyer to the auctioneer for facilitating the transaction.

LEGAL JURISDICTION

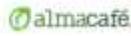
This auction will be carried out in accordance with laws in the United Kingdom of Great Britain and Northern Island.

REGISTRATION

1. Registrations should be made at least 24 hours prior to the day of the auction.
2. The bidder agrees to keep his account details strictly confidential and not to permit any third party to use or access his account on his behalf. The bidder will be liable for any and all bids made via his account.
3. The auctioneer has the right at his absolute discretion to approve or refuse an application to bid on this auction, to withdraw the bidder's permission to use the online auction platform, or terminate an online bidding account on this platform; for any reason, at any time prior to, during or after a sale.
4. Further information may be sought from the bidder over and above that submitted buy the bidder prior to accepting their application to bid on this or any further auction operated on the auction platform.
5. The decision of the auctioneer in any case shall be final and absolute.

ORDERING SAMPLE SETS

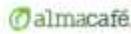
1. It is the sole responsibility of the bidder to evaluate samples of coffees to be auctioned in order to determine quality and appropriateness of use for specific purposes and customer needs.



2. If no samples were ordered, complaints will be accepted only based on defects established by SCAA grading form.
3. Samples are representative of the winning lots prepared.
4. The coffee being offered for sale through this platform consists of individual distinct lots of green coffee which were selected by the seller.
5. Terminology and descriptions used and provided by the seller on the lots are not intended to be relied upon in lieu of bidder's sample testing.
6. All samples will be sent using international courier services.
7. All samples must be paid for using a valid credit card made through the auction platform.
8. All sample sales are final.
9. The bidder is responsible for providing the correct shipping information for the samples. Once samples are paid, any changes to the shipping information will be made at the expense and risk of the bidder.

AUCTION TERMS

1. The auctioneer acts as the agent for both the buyer and seller.
2. The auctioneer seeks to facilitate the sale between the buyer and seller by promoting the coffee for sale by the seller to the buyer.
3. The auction will take place on the date specific on the auction platform. This will be defined for each auction.
4. Each auction shall have its own page. The details of the date of the auction, the opening time of the auction and the coffee for sale are set out on that page.
5. The bidding will open at the specified time shown on the auction page. All lots will be open for bidding at the same time.
6. Each bidder is solely responsible of understanding the starting date and time for the auction. This varies from auction to auction.
7. Each bidder is solely responsible of familiarizing with the platform before the auction date.
8. A practice auction will be made available to the bidders no less than one week before the auction is due to start.
9. The seller reserves the right to withdraw from sale any of the items listed or to sell at this auction items not listed.
10. The auctioneer has the right at his absolute discretion to refuse any bid. The decision of the auctioneer shall be final and absolute.
11. When the time comes for the auction it will be a Helmsman style auction. There will be 5 phases to the auction:
 - 11.1. Prior to opening all lots are listed but bidding hasn't started
 - 11.2. Open bidding
 - 11.2.1. Bidding will open on all lots in the auction at the same time



11.2.2. Bidding continues until all lots have received a bid, or once the one hour of bidding has passed; whichever is the longest.

11.3. Clock Countdown

11.3.1. The clock will count down from 3 minutes towards zero

11.3.2. The clock will reset to 3 mins remaining each time a bid is received by the platform.

11.4. Auction Close

11.4.1. Auction closes automatically after 3 minutes have passed where no bids have been placed.

11.5. The auction is closed.

12. The reserve is set and started once the auction page for each lot; the opening bid price for each lot represents the reserve. This is the minimum selling price for the lot. The opening price may vary for each lot.

13. Each approved bidder may make as many bids as they desire during the duration of the auction, on any or all of the lots offered for sale.

14. All bids received by the auctioneer are final and irrevocable, whether they are submitted in person, online or by proxy.

15. If the buyer is the highest bidder and the online platform announces that he has won the lot, the buyer is the new owner of that item.

16. All sales are final.

17. Any auction on the Sensible Coffee Auction Platform is a live auction and the bidder agrees that each bid submitted as provided in these terms and conditions is irrevocable and cannot be amended or corrected, even if submitted in error and notified to the seller.

18. The buyer of the auction lot will be purchasing the entire auction lot.

19. Purchases are to be paid in full by wire transfer within fifteen (15) days of the end of the auction.

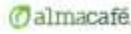
THE BIDDING PROCESS

Date: 29th October 2020

Time: 7:00 am Colombian time.

All approved Bidders may bid at any time during the online auction. Only bidders who are registered in the auction are able to bid. The highest Bidder at the close of each lot will be declared the purchaser of that particular lot of coffee, subject to the opening price of **US\$3.50** per lot.

All the lots are set with a three minute countdown and once each and every lot has received an initial bid the clock starts ticking down. Every time a bid is placed on *any* of the lots, then the clock resets to 3.00 minutes for all lots. Bidding continues until the clock hits zero. Bids must be done during the live auction, every bid done prior to the close of each lot is valid.



The minimum incremental bid is US\$0,50 per pound. Bids, once accepted by the auction platform may not be revoked or withdrawn. Any subsequent higher bid, whether by the same bidder or another bidder shall effectively extinguish all prior lower bids.

Each lot will be sold in total. The highest bidder irrevocably commits to purchase the entire lot and will be the financially responsible party for payment and logistics (such as shipping, customs, import, etc). All sales are final. This agreement and all of its terms override any subsequent contracts pertaining to the allocated lot.

Any subsequent terms negotiated outside this agreement's terms must be mutually agreed upon by both parties in writing.

PURCHASING TERMS

Parties

Seller/Exporter: Federación Nacional de Cafeteros de Colombia (FNC)

Buyer: Party who successfully makes the highest bid for each lot. The winning bid (highest bid) becomes the buyer of the lot being auctioned.

Prices: All bids shall be expressed in U.S. cents per pound (US\$/lb), outright price. Final outright price will be determined by the highest bid for each lot.

Delivery/Shipment Terms:

- Free on Board (FOB) - Colombian port
- Stuffing condition: LCL/FCL
- Shipment port: Seller's option
- Other applicable services and fees to be agreed on a case by case basis

Payment terms:

- New FNC clients: Advance payment
- Current FNC clients: As per current terms at the date of the auction.

Quality:

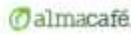
- Microlots: SC15 3*20 10%

Approval:

- All lots are pre-approved at the cupping session(s) prior to the auction.

Packaging:

- Microlots: 35 kg Grain Pro bags



- Vacuum packaging: 24 kgs boxes with two 12kgs vacuum packages + \$10 usc/lb

Shipping

Shipping Month: November/December 2020 – After all logistics, shipping details and payment terms have been agreed and met by the FNC and the buyer.

Partial shipments will not be accepted.

Shipping instructions must be provided by the buyer no later than 10 business days after the live auction to the FNC logistics team.

If buyer wants to consolidate the lot with a different exporter than the seller (FNC), the lot must be paid in full before it is released. Any changes in shipping procedures requested by the buyer may result in additional shipping, administrative and documentation charges to their account.

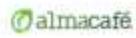
Documents:

- Bill of Landing (3x original)
- ICO Certificate of origin
- Commercial Invoice
- Packing list
- Weight certificate
- Quality certificate
- Farm information and traceability
- Phytosanitary certificate (If required)

INTERNAL MARKET BIDDERS

If the winning bidder is based in Colombia, the entire winning lot will be delivered as per the following conditions:

- Payment in advance
- Invoice should be expressed in USD
- Payment to be made in COP as per the current exchange rate available at the payment day. It is the buyer's responsibility to announce the payment day to the seller.
- Delivery at Almacafé warehouse Bogotá (Soacha) – Km 14 Via Bogotá – Girardot
- FNC clients: As per conditions with FNC at the time of the auction



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