

Arbitration Decisions

August 14, 1974

ARBITRATION CASE NO. 1514
July 12, 1974

PLAINTIFF: Tabor & Company, Decatur, Illinois

DEFENDANT: Wallace FCX, Wallace, North Carolina

The Arbitration Committee of the National Grain and Feed Association, by unanimous agreement, finds in favor of the Defendant.

The arbitration is between Wallace FCX, Wallace, North Carolina who purchased on December 4, 1973, a loaded 4 hopper car shipment of No. 2 Yellow Corn from Tabor & Company through Cameron Brokerage in Charlotte, North Carolina.

Cameron Brokerage instructed Tabor & Co. to put in an open order at 2.60 $\frac{1}{2}$ Basis March to price the unit. On December 6, (2 days later) Cameron Brokerage cancelled the open order but failed to issue new pricing instructions.

Tabor's contract to the broker (and buyer) reflected the above. The Buyer (Wallace FCX) did not issue any contract whatsoever.

The Broker (Cameron Brokerage) did issue a contract and although lacking in clarity stated thus: "This is an unpaid contract: To be priced before end of business on December 28, 1973."

If this was unclear to Tabor, the responsibility was his to inquire further.

1. Grain Trade Rule #4(d) reads "Contracts so negotiated (by a broker) are valid and binding between the Buyer and the Seller, the same as if it has been negotiated directly between them."
2. None of the documents submitted clearly indicate any agreements between Buyer and Seller regarding pricing.
3. Broker's contract directs pricing prior to end of business 24 December 1973, which was evidently ignored by the Seller.

Arbitration Committee of the
National Grain and Feed Association

/S/ Herbert F. Koelsch, Chairman
New England Feed Trading Co.

/S/ Nelson Cotton
Ohio Farmers Grain Corporation

/S/ R. T. Creekmore
Queen City Grain, Inc.