NGFA Arbitration Rules

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Preamble

The following Arbitration Rules of the National Grain and Feed Association (NGFA) shall govern the resolution of disputes among its members and those nonmembers subject to these rules. The NGFA Arbitration System provides a fair, cost-effective, and timely way to resolve disputes. These rules are kept current through the review and amendment process specified in the NGFA Bylaws.

Arbitration cases are prepared by the parties involved. Arbitration decisions are based upon evidence and arguments submitted by the parties. Cases are considered by a committee of three arbitrators who have experience in the issues involved and who have no commercial interest in the case.

**The italicized rules contained herein include amendments to the NGFA Arbitration Rules approved by the NGFA Board of Directors on September 25, 2026 (effective October 25, 2026). These amendments are subject to ratification by the NGFA membership pursuant to the NGFA Bylaws.*

NGFA Arbitration Rules

Rule 1. Jurisdiction and Scope

(A) The NGFA Secretary may accept a case involving a dispute between or among the following:

(1) Active members of NGFA (for which arbitration is compulsory under the NGFA Bylaws). For purposes of compulsory arbitration, the term "dispute" shall mean issues involving the storage, processing, manufacturing, merchandising, financing, transportation, or distribution of grain, feed, or feed ingredients within or between the United States, Mexico or Canada; or any issue involving the NGFA Trade Rules.

(2) An Active, Allied, or Transportation member of NGFA and another party, by consent of both parties or by court order. If the contract in dispute provides for arbitration by NGFA or under the NGFA Arbitration Rules, the parties to the contract are deemed to have consented to arbitration under these rules.

(3) Other classes of members accorded arbitration rights under the NGFA Bylaws.

(B) In all cases, at least one party must have been a member of NGFA (pursuant to paragraph A above) at the time the arbitration complaint is filed and when the underlying contract or transaction was agreed upon or formed.

(C) NGFA shall not, except by consent of both parties, assume jurisdiction over (1) transactions between members of the same commodity exchange when such transactions are subject to the terms of such commodity exchange; or (2) transactions subject to the dispute resolution terms in the contracts of the North American Export Grain Association.

(D) Parties subject to these rules shall be deemed to have consented to confirmation and enforcement of arbitration awards in any federal or state court having jurisdiction thereof. This provision shall not be construed to limit confirmation or enforcement of arbitration awards in foreign jurisdictions also having such jurisdiction.

(E) Contract Interpretation: The following general rules of contract interpretation apply in arbitration cases:

(1) Between NGFA Active members, the NGFA Trade Rules apply unless specifically excluded or inconsistent with the express contract terms governing a transaction.

(2) Where the parties have expressly provided for the trade rules of another entity to apply to a transaction in lieu of the NGFA Trade Rules, the other entity's rules will be used to decide the case.

(3) If a contract between a member and nonmember references NGFA Arbitration but does not also reference the NGFA Trade Rules, the NGFA Trade Rules do not expressly govern the transaction but they may reflect general customs and practices of the trade.

(4) A general reference to NGFA rules is deemed to incorporate all rules of NGFA, including the Trade Rules and Arbitration Rules.

(F) The original arbitration complaint must be received by the NGFA Secretary within 12 months after a claim arises, or within 12 months after the expiration date for performance of the contract(s) involved, whichever occurs last.

In cases between a member and nonmember arbitrated pursuant to a court order, the complaint must be filed within 30 days of issuance of the court order, or within 12 months after a claim arises, or within 12 months after the expiration date for performance of the contract(s), whichever occurs last.

Rule 2. Commencing an Arbitration Case

(A) To commence a case, a complaint must be submitted by the plaintiff to the NGFA Secretary using the form available from NGFA. The completed complaint form must state specifically the nature of the dispute, the parties' names and addresses, applicable contract numbers and contract dates, date of incident giving rise to the dispute, and the amount of damages claimed in U.S. dollars. The plaintiff is also to provide a copy of any contracts in dispute and applicable court order. No other documents are to be submitted with the complaint form.

The case shall incorporate the claims in the original complaint as well as any crossclaim, counterclaim, third-party claim, or offset, provided that any matters submitted by crossclaim, counterclaim, or third-party claim must be directly related to the claims in the original complaint. Any such crossclaim, counterclaim, or third-party claim shall be heard as one case with the original complaint. Any crossclaim, counterclaim, or third-party claim must be filed by the defendant at the same time the defendant's answer is due.

(B) The NGFA Secretary will submit to the parties an arbitration services contract, to be signed by an official representative of each party. This contract shall provide that the parties agree to abide by the award of the Arbitration Committee or the Arbitration Appeals Committee; and to release NGFA and the members of said committee(s) from any liability, damage, or loss resulting from their decision or related to the arbitration case.

(C) Upon signing the arbitration services contract, each party must pay an arbitration service fee of 2.5% of the amount of the plaintiff's claims. The NGFA Secretary may assess additional fees later in the case based upon the increased claims (including crossclaims, counterclaims, and third-party claims) by the parties. The minimum arbitration service fee is US$2,500. The maximum arbitration service fee is US$40,000.

If a case is settled prior to the request to the plaintiff for the first argument, the parties may be eligible for a refund of up to 50% of the previously submitted arbitration fees. If a case is settled prior to the request to the plaintiff for the rebuttal, the parties may be eligible for a refund of up to 25% of the previously submitted arbitration fees. In all cases, the NGFA Secretary may reduce refunds by direct or indirect costs incurred by NGFA. For cases settled following submission of the rebuttal, fees are non-refundable. In string trades or other multi-party cases treated as a single arbitration, a party is not required to pay more than a maximum of two arbitration service fees.

(D) Each party must return the completed arbitration services contract within 15 days from the date the party receives it from the NGFA Secretary.

(E) Where a party fails to execute the arbitration services contract or pay the arbitration service fee, the NGFA Secretary may without further submissions by the parties enter a default judgment or such other relief as the NGFA Secretary deems appropriate.

A party against whom a default judgment has been entered under this rule may apply to vacate the default judgment within 15 days of entry of the default judgment by providing:

(1) a verified statement explaining the failure to respond to the complaint and the specific grounds for defense that the defaulting party would present to an Arbitration Committee.

(2) the arbitration service fee in the form of a certified money order, cashier's check, or by wire transfer or other comparable payment mechanism payable to NGFA. Failure to tender the required fee will result in denial of the relief sought by the defaulting party.

(3) the executed arbitration services contract.

The NGFA Secretary may vacate the default judgment based on the defaulting party's submission within 30 days of receipt. A timely request to vacate a default judgment shall stay the time for appeal under Rule 7 of these rules. A judgment entered by the NGFA Secretary shall have the same effect as a judgment entered by an Arbitration Committee.

(F) If all parties to a string trade (a trade in which the same shipment is applied sequentially to multiple contracts by different parties) consent to abide by the ultimate decision, the original plaintiff and ultimate defendant will be permitted to release the parties in the middle of the string from the case.

Rule 3. Preparing an Arbitration Case

(A) In preparing a case for submission to an Arbitration Committee the plaintiff in its first argument and the defendant in its answer are to submit:

(1) A timeline of the facts and circumstances relevant to the dispute.

(2) A concise and clear statement of all claims. The parties are responsible for clearly presenting all aspects of their case. The NGFA Secretary and the Arbitration Committee are not responsible for undertaking fact-finding searches or discovery.

(3) The contract(s), if applicable, including all written evidence, letters, communications, and other supporting documents (including but not limited to shipping directions, bills of lading, affidavits, inspection certificates, etc.) relied upon by a party to establish the terms and conditions related to the dispute.

(4) Proof of market difference when there is a probability of the market difference affecting the parties' claims, for example, because of discounts for grafe, delay in shipment, or non-fulfillment of contract. Proof of market difference may be the price bulletin of the market in question for the date on which the price is to be established. If it is necessary to establish such difference in a market where no price bulletin is regularly issued, other forms of proof should be furnished such as affidavits by disinterested persons.

(B) All evidence and arguments must be clearly presented and organized, including arrangement in chronological order to present a clear history of the case.

(C) The plaintiff's first argument and defendant's answer shall not exceed 15 pages in length, and the plaintiff's rebuttal and defendant's surrebuttal shall not exceed 10 pages (single-sided, double-spaced, 12-point font, excluding exhibits).

(D) Any exhibits included as attachments must be organized with appropriate use of tabbing and should be judicioulsy limited to only what is essential for supporting the parties' arguments.

(E) Six copies of the parties' arguments must be filed with the NGFA Secretary. All papers should be fastened together securely to avoid loss.

Rule 4. Timelines Governing the Filing of Arbitration Arguments

(A) The plaintiff shall have 20 days from the date it receives notification from the NGFA Secretary to file its first argument.

(B) Upon receipt of the first argument from the plaintiff, the NGFA Secretary shall have 20 days to forward to the defendant a copy of plaintiff's first argument.

(C) The defendant shall have 20 days to file its answer (and any crossclaim, counterclaim, or third-party claim) from the date it receives the plaintiff's first argument from the NGFA Secretary.

(D) Upon receipt of such answer (and any crossclaim, counterclaim, or third-party claim) from the defendant, the NGFA Secretary shall have 20 days to forward a copy of same to the plaintiff, who has 10 days from receipt to file a rebuttal to the defendant's answer (and any crossclaim or counterclaim). The plaintiff is not obligated to file a rebuttal.

(E) Upon receipt of any rebuttal, the NGFA Secretary shall have 20 days to forward a copy to the defendant, who has 10 days from date of receipt to file a surrebuttal. The defendant is not obligated to file a surrebuttal.

(F) Upon receipt of any surrebuttal, the NGFA Secretary shall have 20 days to forward a copy to the plaintiff. There shall be no additional arguments filed by the parties related to the claims between the plaintiff and defendant.

(G) In cases involving more than two parties, the NGFA Secretary may adjust the procedure and time periods for filing written pleadings. The NGFA Secretary may, for good cause shown, extend the time limits specified herein for a period no longer than 20 days. Requests for extension of time must be made prior to expiration of the specified time period. Any extension so granted must be in writing, and a copy thereof sent to both parties.

(H) For cases involving a string trade, the time limits established in these rules may be amended by the NGFA Secretary to permit the exchange of arguments between original plaintiff and ultimate defendant.

(I) In addition to default judgments issued pursuant to Rule 2(E), where a plaintiff fails to file its first argument or a defendant fails to file its answer in accordance with the time limits specified in this rule or by the NGFA Secretary, the NGFA secretary may enter a default judgment against the delinquent party.

A party against whom a default judgment has been entered under this rule may apply to vacate the default judgment within 15 days of entry of the default judgment by providing:

(1) a verified statement explaining the failure to timely file the first argument or answer.

(2) the first argument or answer.

The NGFA Secretary may vacate the default judgment based on the defaulting party's submission within 30 days of receipt. A timely request to vacate a default judgment shall stay the time for appeal under Rule 7 of these rules. A judgment entered by the NGFA Secretary shall have the same effect as a judgment entered by an Arbitration Committee.

Rule 5. Formation of Arbitration Committees

(A) Each Arbitration Committee shall consist of three arbitrators selected by the NGFA Secretary.

(B) Each Arbitration Appeals Committee shall consist of five persons selected by the NGFA Secretary from the Arbitration Appeals Panel, which is appointed pursuant to the NGFA Bylaws.

(C) To qualify for appointment as an arbitrator, an individual must be:

(1) an employee, or active partner, principal, officer or director of a NGFA member eligible to arbitrate disputes under these rules. In the event of the absence, resignation, refusal to act or disqualification of an arbitrator, the NGFA Secretary shall fill the vacancy with an eligible member; and

(2) commercially disinterested with respect to the particular dispute. If an arbitrator changes employment or affiliation from one member to another member, the arbitrator must continue to be commercially disinterested or be replaced.

(D) Arbitrators also shall be selected with a view to forming arbitration committees experienced in the type of trade or transaction involved in the case.

Rule 6. Arbitration Committee Procedures

(A) Upon assigning a case to an Arbitration Committee, the NGFA Secretary shall notify each party of the chair and members of the committee. Either party may challenge the appointment of a member of the committee for prejudicial or other causes within 5 days of receipt of this notice. Upon determination that such challenge is valid, the NGFA Secretary will replace such member.

(B) A member of the Arbitration Committee shall disclose to the NGFA Secretary any circumstances that subsequently arise or become known affecting the arbitrator's impartiality, including any bias or financial or personal interest in the case. Upon receipt of any such information from a committee member, the NGFA Secretary shall transmit such information to both parties and replace said member if either party requests such action within 5 days from receipt of such information or after the voluntary withdrawal of such committee member.

(C) The chair of the Arbitration Committee may choose for the Committee to proceed with the case by such means as the chair deems necessary.

(D) A decision of the Arbitration Committee shall be by majority vote.

(E) The Arbitration Committee shall act promptly on all cases submitted. The NGFA Secretary shall transmit the decision of the Arbitration Committee to the parties promptly. Each decision shall contain a concise statement of the pertinent facts and the conclusions of the Arbitration Committee, including the names of the parties involved, the nature of the case, the claims involved, the names of the arbitrators and their reasoning, the award (if any), and such other information as may be of interest.

(F) The Arbitration Committee and/or the Arbitration Appeals Committee may include interest in an award. If the committee elects to award interest, the applicable rates of interest shall not exceed the Prime Rate as published by the Wall Street Journal over the course of the dispute; and the committee shall decide when accrual of interest is to begin and end.

(G) The parties to the arbitration shall file a notice of appeal or comply with the terms of the Arbitration Committee's decision within 15 days from the receipt of said decision.

(H) NGFA shall publish all decisions of Arbitration Committees and/or Arbitration Appeals Committees, as well as default judgments, following conclusion of the appeal process (if applicable). Copies of all NGFA Arbitration decisions are transmitted to the NGFA membership and are accessible to the public through the NGFA website.

Rule 7. Appealing an Arbitration Decision

(A) A decision of the Arbitration Committee or a judgment of default or dismissal issued by the NGFA Secretary shall be final unless appealed by either party. If timely and properly appealed, the case shall be reviewed by an Arbitration Appeals Committee, which may then affirm, modify, or reverse the decision or remand the decision for reconsideration back to the original Arbitration Committee or the NGFA Secretary.

(B) Notice of appeal of a decision of an Arbitration Committee or the NGFA Secretary shall be filed with the NGFA Secretary within 15 days from the date of receipt of the decision. Such notice must be accompanied by:

(1) a statement of reasons for the appeal (6 copies);

(2) a non-refundable appeal fee, payable only by the appellant, that shall be double the amount of the arbitration service fee assessed under Rule 2(C) for the filing of the original case. Unless said fee is deposited, the award of the Arbitration Committee shall be affirmed or the appeal dismissed.

(3) when appealing an award of damages, the appellant shall also include full payment of the award in U.S. dollars by certified, cashier's check, or by wire transfer or other comparable payment mechanism payable to the NGFA.

(C) NGFA shall deposit the appellant's payment of the award received pursuant to Rule 7(B)(3) in an interest-bearing account pending the decision of the Arbitration Appeals Committee or other resolution of the case. Interest accrued (less any deposit-related costs or charges incurred by NGFA) on any arbitration award deposits shall be paid to the party entitled to the principal based upon the decision of the Arbitration Appeals Committee or other resolution of the case.

The party responsible for payment of an award to an adverse party shall remain responsible for any difference between the rate of interest earned while on deposit with NGFA and the rate of interest set forth in a decision by the Arbitration Appeals Committee or other resolution of the case. For example, if the deposit earns a net interest rate of 4% per annum and the rate awarded by the Arbitration Appeals Committee is 9%, then the responsible party shall remain liable for the difference. NGFA shall not have any obligation to the parties regarding the rate of interest earned on any such deposits.

(D) Briefs filed in appeal cases shall be confined only to the facts, documents and evidence contained in the record of the case. Any new documents, testimony or other form of evidence submitted in violation of this rule may be removed from the brief by the NGFA Secretary upon request by a party, and the chairman of the Arbitration Appeals Committee shall instruct the committee to disregard any newly asserted facts, documents or evidence.

(E) The following timeline applies to Arbitration Appeals:

(1) Within 20 days from the receipt of a notice of appeal, the NGFA Secretary shall forward to the appellee, by registered or certified mail, a copy of the appellant's statement of reasons.

(2) Within 20 days from the receipt of said statement of reasons, the appellee shall file a response with the NGFA Secretary.

(3) Upon receipt of the appellee's response, the NGFA Secretary shall assemble a record of the case, indexed and with pages numbered consecutively, including the aforementioned statements of appeal and answer and any other papers deemed pertinent to the case. The NGFA Secretary subsequently shall submit the record of the case to the parties.

(4) Within 10 days of receipt of the record of the case, the appellant shall file 10 copies of a brief of its case with the NGFA Secretary, each argument keyed to facts contained in the record of the case.

(5) Within 7 days of receipt of the appellant's brief from the NGFA Secretary, the appellee shall file its brief, in the same form and number as the appellant's brief.

(6) Upon receipt of the appellee's brief, the NGFA Secretary shall send a copy to the appellant. There shall be no additional briefs or arguments filed by the parties.

(7) The NGFA Secretary may, for good cause shown, extend the time limits specified for the filing of the appellant's and appellee's briefs for a period of no longer than 20 days. Requests for extension of these time limits must be made prior to expiration of the specified time period. Any extension so granted must be in writing, and a copy thereof sent to the parties.

(F) When a case is assigned to an Arbitration Appeals Committee, the NGFA Secretary shall inform the parties of the names of the appeal arbitrators and give notice that a challenge for prejudicial or other causes would be entertained for 5 days from receipt of such notice. Upon a valid challenge being made, the NGFA Secretary must immediately name a replacement to the committee.

(G) The Arbitration Appeals Committee chair shall proceed with the case by such means as the chair deems necessary. On request of either party, the Arbitration Appeals Committee shall hear oral argument but no new evidence shall be heard in the appeal of any case.

(H) There shall be no appeal under these rules from the decision of an Arbitration Appeals Committee. The party or parties to the appeal shall comply with the terms of the Arbitration Appeals Committee decision within 15 days from the receipt of said decision.

(I) Any decision of the Arbitration Appeals Committee must be signed by a majority of the members thereof.

Rule 8. Oral Hearings

(A) Either party may request an oral hearing by prominent and separate written request to the NGFA Secretary within 10 days after receipt by plaintiff of the defendant's surrebuttal in a non-appeal case, and within 10 days after receipt by the appellant of the appellee's brief in an appeal case.

(B) In addition to the standard service fee paid at the outset of the case under Rule 2(C), a party requesting an oral hearing must pay a non-refundable fee in the amount of US$2,500. This fee shall be paid by each requesting party no later than 10 days after the notification from the NGFA Secretary. Failure to do so may be grounds for denying a request for an oral hearing.

(C) The party or parties requesting an oral hearing also must pay the expenses of the Committee and NGFA for the hearing.

(1) The NGFA Secretary shall estimate the amount of such expenses (including a stenographic record and travel and hotel expenses of the arbitrators, NGFA staff, and NGFA's legal counsel) and notify the requesting party in a timely manner.

(2) The party or parties requesting an oral hearing shall advance the amount estimated to cover the hearing expenses. If multiple parties request an oral hearing in the same case, the amount to be paid by each in advance for the estimated expenses shall be split equally among them, but if any of them withdraws its request before paying its share of the estimated expenses, the other(s) shall be responsible for advancing payment of the full amount.

(3) The amount specified shall be advanced by the requesting party or parties no later than 10 days after notification from the NGFA Secretary. Failure to advance expenses may be grounds for denying a request for an oral hearing.

(4) After the committee establishes the actual amount of expenses incurred, the party or parties shall be refunded or billed by the NGFA Secretary for the difference between the amount advanced and actual costs.

(D) The NGFA Secretary shall make the necessary arrangements for the taking of the official stenographic record of the hearing. The stenographic record shall be made a part of the official transcript of the case.

(E) The chair of the committee shall determine a time and a place for the hearing, and the NGFA Secretary shall notify the parties of the date and place selected. Neither party shall seek to postpone the hearing 10 days after such date has been set, unless good cause, satisfactory to the committee, can be shown. In special circumstances when the party or parties requesting an oral hearing fail to respond or cooperate in the planning of the hearing, the chair of the committee and the NGFA Secretary have discretion to cancel the hearing.

(F) For appeal hearings, the appellant shall have one hour for opening statement; appellee shall have one hour and 15 minutes for argument; and the appellant shall have 15 minutes confined to rebuttal argument.

(G) For non-appeal hearings, the chair of the committee shall determine timing of the proceedings.

(H) The introduction of new documents or written evidence at an oral hearing is not permitted.

Rule. 9 Exclusion of Liability; Judicial Proceedings

The parties to an arbitration under these rules release from liability and waive any right to pursue any action or claim against NGFA, NGFA arbitrators, the NGFA Secretary and NGFA's employees and non-employee directors and officers for any act or omission related to any proceeding, conduct or activity in connection with these rules, the arbitration, administration of the arbitration process or the arbitration award. The parties also agree that no party shall seek to make the NGFA Secretary, NGFA arbitrators or NGFA's employees or non-employee directors or officers a party or witness in any judicial or other proceeding related to any arbitration under these rules.

Rule 10. General Provisions

(A) The NGFA Secretary is authorized to make such decisions as are necessary to execute these rules.

(B) Whenever any papers, documents, or pleadings are required to be filed, there should be filed with the NGFA Secretary 6 copies thereof. One copy shall be mailed by the NGFA Secretary to the adverse party. In cases involving more than two parties, the NGFA Secretary may adjust the number of copies required to be filed. This rule shall apply with equal force and effect to the petition, complaint, exhibits, answers, and cross-complaints, and any and all other papers that either party desires to or may be required to file.

(C) In computing time, the first day shall be excluded and the last day included. If, however, the first or last day falls on a Saturday, Sunday, or a national legal holiday, then the next business day shall be considered the first or last day. The final date for filing required documents or papers in any proceedings under these rules shall be midnight of the stated final day.

(D) Registered, Certified or express receipts shall be used to determine the timeliness of any filing in accordance with the several periods of time specified in these rules. As used throughout these rules, the term "filing" shall mean the time at which the document is sent by a recognized trackable delivery service. No extension of time shall be granted for filing a notice of appeal. All time limits placed on the NGFA Secretary shall begin on the date the NGFA Secretary receives the document or request which triggers the obligation.