

REPORT on a MEETING of the "CONDITIONS" SUB-COMMITTEE of the SCOTTISH POTATO TRADE ASSOCIATION held at 8 KINNOULL STREET, PERTH at 11.00 a.m. on FRIDAY, 24th JULY, 1981.

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PRESENT: Messrs. J.R. McArthur (Convenor), J. Henderson, R. David Hunter, K.A. McKenzie and R.G. Ramsay, with D. Blackmore (Assistant Secretary) in attendance.

APOLOGIES: Mr. Blackmore tendered his apologies for having omitted to notify Messrs. D.H. Lindsay (on holiday) and J.G.H. Fenton (both ex officio Members) of to-day's meeting.

REVISION OF CONDITIONS OF PURCHASE: Continuing the paragraph by paragraph adaptation of the Association's Conditions of Sale initiated at the last meeting on 10th July, 1981 the Sub-Committee reconsidered the suggested addition to Condition 10 and its effect on Conditions 8 and 12. After full discussion it was agreed (a) not to make further alteration to Condition 8; (b) to incorporate the suggested addition into Condition 10 (Mr. Hunter to finalise the actual wording and positioning of this addition within Condition 10) and (c) to consider the necessary reference within Condition 12 in due turn.

11. LIABILITY - PATENT DEFECTS. It was agreed not to incorporate the marginally-noted addition to para. (1), the circumstances whereof being provided for within Condition 8, (re-numbered) para. (5). Mr. McArthur questioned retention of the word "DISCHARGED" (in line 6) but after discussion it was decided to make no change in this respect, to leave the overall "reasonableness" of the Conditions intact. Mr. McKenzie drew attention to the difficulties arising from a ten day period but this point being provided for elsewhere, the Meeting agreed to retain the whole of para. (1) without change. Similarly, after due consideration, para. (2) was retained without change. It was decided unanimously to omit para. (3) altogether from the revised Conditions of Purchase.



12. LATENT DEFECTS. After full discussion of the problem of the period for complaints in respect of latent defects (and while recognising that subsequent negotiations may require their re-instatement) it was agreed to delete the words "ten days" from line 4 of the preamble to this Condition. It was also agreed to be necessary to alter "Seller" to "Buyer" in para. (1) (b).

In respect of para. (2) and with Mr. McKenzie's support, Mr. McArthur felt strongly that this paragraph, together with the concluding two lines (in capital letters) of this Condition, must be omitted from the revised Conditions of Purchase altogether. Mr. Hunter explained, however, that the two final lines (in capital letters) were the essential kernel of the whole Condition which could stand alone if necessary, since what preceded them was simply an explanatory drawing of attention to the risks that might arise under the Contract before excluding liability for them. To omit the exclusion would remove need for the explanation (which could not stand alone) and thus the whole "Latent Defects" Condition would disappear.

Finally it was agreed (a) to confirm the addition to Condition 10 (see above); (b) omit the word "WHEREAS" between the preamble and para. (1); (c) amend the final two lines (i) by insertion of the words "Except as specified in Condition 10 hereof" at the beginning of them, (ii) insert the word "other" between the words "no" and "case"; and (d) ensure they are printed in lower case (not capital) letters.

13. EXCLUSION. It was agreed this Condition be retained without change.

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14. COMPENSATION. There was prolonged discussion on the advisability of adopting the proposed addition at the end of para. (1). In reply Mr. Hunter explained that in a dispute between Members when respectively recommended Conditions of Sale and Conditions of Purchase conflicted in this respect, the Condition would "fly off" to give rise to unlimited liability. It was agreed to adopt the suggested addition, subject to substitution of the word "justifiable" for the words "direct handling". It was also agreed to retain para. (2) without change.
15. PAYMENT. It was decided unanimously to delete the first sentence of this Condition completely and the words "Unless otherwise specified (1)" and "(2)" in the second sentence.
16. FORCE MAJEURE - ) After due consideration the Sub-  
17. CONSTRUCTION - ( Committee agreed all three of these  
18. DISPUTES - ( final Conditions be incorporated, without change, into the revised Conditions of Purchase.

After brief discussion no additional Conditions were felt to be necessary. It was decided to prepare a clean draft (including all amendments and alterations) and to send a copy to each Sub-Committee Member as soon as possible, the Secretariat being instructed accordingly. The Sub-Committee agreed to meet again thereafter for final revision if necessary, in time for copies to be sent to all Members of Council before its next meeting, at which its authority will be sought to submit the proposed revised Conditions of Purchase for the approval of the National Farmers Union of Scotland.

In a short general informal discussion of the Sub-Committee's approach to its next task (formulation of Conditions of Sale and Conditions of Purchase specifically for Export Trade) it was felt the R.U.C.I.P. Rules might be



a good basis of approach. It was agreed the Secretariat arrange to supply each Member of the Sub-Committee with a copy of those Rules.

The Meeting was thereupon concluded.