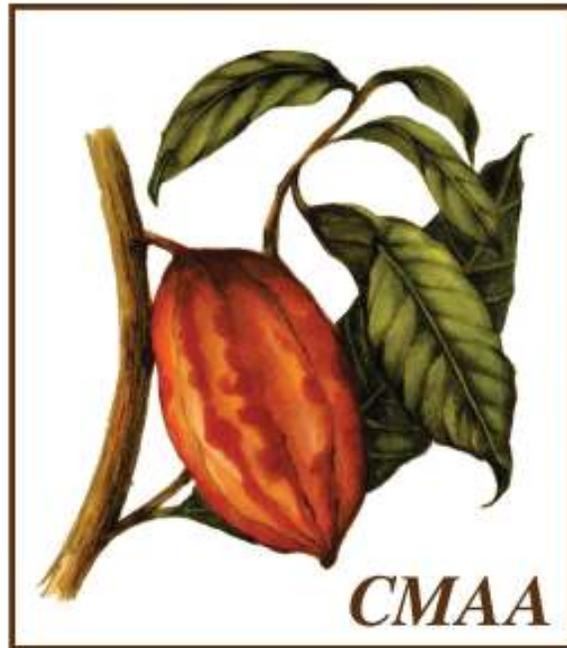


THE COCOA MERCHANTS' ASSOCIATION
OF AMERICA, INC.



STANDARD GUIDELINES
FOR SHIPMENT OF COCOA BEANS
IN CONTAINERS

INCLUDES ALL AMENDMENTS APPROVED
BY THE BOARD OF DIRECTORS

October 22, 2015

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STANDARD GUIDELINES FOR SHIPMENT OF COCOA BEANS IN CONTAINERS

PURPOSE AND NEED FOR THESE GUIDELINES

The purpose of these guidelines is to suggest measures and methods to be followed in an attempt to minimize damage and deterioration when cocoa beans are shipped in ocean containers. Cocoa beans characteristically have a propensity to develop condensation and to re-absorb moisture, and to become easily infested while in transit.

Experience has shown that the break-bulk method of ocean transport of cocoa beans responds best to this hygroscopic feature of cocoa. Subject to current terms of The International Chamber of Commerce ("INCOTERMS") and the rules and conditions herein unless negated by specific agreement herein.

The problems associated with condensation and infestation can generally be controlled when certain elementary rules are observed. By following the guidelines as set out below, the likelihood of damage in transit is greatly reduced. Nevertheless, it should be noted that extraordinary conditions may still be at play under certain circumstances which may render some of these measures less effective.

PREPARATION OF BEANS BEFORE THE CONTAINER IS STUFFED

Cocoa beans should conform to the exporting country's grading standards and contract specifications and terms. They should be reasonably free of foreign matter and be packed in new jute, sisal, burlap or spun-weave polypropylene bags of a weave tight enough to withstand handling and sampling by trier. The bags should be marked in English with the content ("cocoa beans"), net and gross weight in kilo, and the country of origin, as provided by law, plus the usual commercial markings as to lot number, name of shipper and place of business. All markings should be in compliance with all U.S. government regulations.

Holes in the bags caused by the sampling trier should be repaired to prevent the spillage of beans.

Cocoa must be free of any and all insect and rodent infestation.

CHOICE OF CONTAINER

If permission to ship beans in containers has been obtained from the buyer, the shipper should request that the carrier provided a container meeting the following specifications:

1. It should be in good repair, structurally sound with no holes, broom clean, and free of moist and stained areas, foreign odors and insect and rodent infestations;
2. It should be ventilated, when accessible.
 - a) If ventilation is provided through natural thermodynamics, the vent openings should be constructed in such a way that rain or sea spray cannot enter the inside of the container. The shipper should make sure that the vents are in good repair and not obstructed or rusted shut.
 - b) If ventilation is provided through the application of an outside energy source, such as the ship's own power supply, solar cells, or similar features, the shipper should obtain a written assurance from the carrier that the power supply will be provided during all stages during

transit, and particularly when the container awaits a vessel at portside at origin or after unloading from the vessel at destination before stripping.

3. Because of lack of equipment or cooperation of the carriers, shippers may be left with no alternative but to accept non-ventilated containers for the transport of cocoa beans. The shipper should make every reasonable effort to obtain ventilated containers. If these efforts are not successful, it is essential that double-walled corrugated card board and a food grade moisture absorbent device, such as dry bags be used. Dry bags should be hung string capable of withstanding the weight of the full bag and should never be placed directly on top of the cocoa bags.

PREPARATION AND STUFFING OF THE CONTAINER

The inside of the container should be lined with double-walled corrugated card board or similar absorbent material. The deck should be covered with kraft dunnage or wooden pallets. If pallets are used, they must meet the following requirements:

- Wood packing materials should be consistent with the International Plant Protection Convention standard ISPM #15 and should be labeled with the IPPC logo.
- Containers/pallets should be clean of all rodent or other filth and of previous cargo.
- Containers/pallets should not have been used to carry chemicals or other materials giving off strong odors, such as rubber, fertilizers, etc.
- Containers/pallets should be free of any and all insect and rodent infestation.
- Containers/pallets should conform to all pesticide and other residue requirements set forth by the U.S. Government.
- Containers/pallets should be dry (i.e., not green wood).

The bags should be securely piled against the container's bulkheads to prevent shifting in transit, and the top layer should be covered with double-walled corrugated card board. Great care should be taken that no cargo touches any metal parts of the container, as experience has shown that condensation is much heavier on and around these metal parts and tends to stain the bags. Moreover, during the cold season the bags tend to freeze to these metal parts, leading to tears and spillage when the containers are stripped at destination.

Sufficient air space between the top layer of the bags and the container's overhead bulkhead should be provided, and vents should not be obstructed by the cargo.

20 foot standard C.I.T. Dimension containers should be loaded with not more than 18 metric tons gross product weight, including dunnage. 40 foot containers should not exceed 26.25 metric tons gross product weight, including dunnage.

Fumigation should be done at a dosage compliant with the standards and recommendations of the fumigant manufacturer and U.S. government standards that will effectively eliminate any and all insect and rodent infestation.

Stuffed containers should not have to wait for more than one day or so for the arrival of and loading on board the vessel. If the container is carried on deck, it should be protected from sea spray and rain; if carried below deck, there should be sufficient air flow in the hold to maintain ventilation.

DISCHARGE AND STRIPPING OF CONTAINER

It is most important that containers are moved to the stripping location contractually obligated as outlined in the CMAA contracts, and be stripped without delay after arrival, as the danger of excessive condensation is greatest after the container has been discharged and is waiting on the pier to be moved and stripped.

TRANSIT TIME AT PIER

Great care should be taken that containers stuffed with cocoa beans should not be allowed to stand exposed to sunlight for long periods of time at either loading or discharge port. Moreover, containers arriving from origin at destination in a moderate climate zone during the winter should either be stripped immediately upon discharge from the vessel or transported to a sheltered indoor area, to prevent rapid drops of the temperature in the interior of the container and the formation of condensation.