



MOOT PROBLEM

Oral Hearings
March 22th – 24th 2019

Organised by:
The Moot Society of Sri Lanka Law College

SECOND H V PERERA QC MEMORIAL MOOT COURT COMPETITION

ON INTERNATIONAL COMMERCIAL ARBITRATION

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ARCLAND INTERNATIONAL ARBITRATION CENTRE

Vincent Greco (Pvt) Limited, Claimant

vs.

Aquaculture Crocodile Farms (Pvt) Limited, Respondent

Notice of Arbitration and Statement of Claim

I. Parties

1. Vincent Greco (Pvt) Limited (hereinafter sometimes referred to as "GRECO", the Claimant, is a private limited liability company incorporated under the laws of the Republic of Arcland. It has its head office located at No. 53, 45th Lane, Caine, Arcland. The telephone number is (+11000009812) and the official email address is vgreco@greco.com
2. GRECO is a company specialised in luxury leatherware and accessories.
3. Aquaculture Crocodile Farms (Pvt) Limited (hereinafter sometimes referred to as "AQUACULTURE"), the Respondent, is a company incorporated under the laws of the Kingdom of Tarin. It is located at No. 10, Maine Boulevard, Flangly Falls, Kingdom of Tarin. The telephone number is (+14873892357) and the general e-mail address is aquaculture@acf.org
4. AQUACULTURE is specialised in alligator breeding and production of premium alligator skin leather.

II. Facts

5. GRECO intending to introduce a new collection of alligator skin leatherware to the market in the Summer of 2018, in an email informed AQUACULTURE on 12 January 2018, that GRECO is keen in purchasing premium quality tanned alligator hides from AQUACULTURE provided that they are capable of adhering to the specifications. **(Claimant's Exhibit No. 1)** On 14 January 2018 AQUACULTURE responded by email expressing their willingness in selling alligator skin hides to GRECO. **(Claimant's Exhibit No. 2)**

6. On 25 January 2018 GRECO and AQUACULTURE entered into contract by which AQUACULTURE agreed to sell 1200 premium quality tanned alligator hides by way of two shipments of 600 hides each at a total cost of \$1,800,000. An advance payment of \$300,000 was to be made on or before 10 February 2018. A payment of \$700,000 was to be made within a week of the delivery of the first shipment which was to be delivered on or before 31 March 2018. A payment of \$800,000 to be made within a week upon the second delivery which was to be made on or before 30 April 2018. The contract required the hides to meet the specifications mentioned in the contract. **(Claimant's Exhibit No. 3)**

7. On 9 February 2018 GRECO made the advance payment of \$300,000 by wire transfer as per contract.

8. The first batch of tanned alligator hides arrived at GRECO manufacturing facility on 20 March 2018. Following day, subsequent to the verification of conformity of goods GRECO made a payment of \$700,000 to AQUACULTURE.

9. On 10 April 2018, AQUACULTURE in an email addressed to GRECO communicated that one of the tanneries has been badly damaged due to a violent protest organised by the animal rights and welfare organisation, Humans Against Cruel Treatment of Animals (HACTA). The damaged tannery is unable to function in its full capacity. Therefore sought for an extended date of delivery for the second batch of alligator hides. **(Claimant's Exhibit No. 4)**

10. On 15 April 2018, in a letter addressed to AQUACULTURE, GRECO fixed a period of time ending on 14 May 2018 for the delivery of alligator skin hides. The letter emphasised the importance of the fixed delivery date being met as GRECO has to begin its production of the new summer collection. It also stated GRECO will be forced to supply itself with alligator hides from another vendor and initiate legal action. **(Claimant's Exhibit No. 5)**

11. GRECO waited until the stipulated deadline of the fixed time period. On 16 May 2018 sends notice to AQUACULTURE through its attorneys that GRECO is avoiding the contract. In the letter GRECO demanded the return of \$1000,000 GRECO has paid AQUACULTURE and stated GRECO is retaining alligator hides as security until the money is returned. **(Claimant's Exhibit No. 6)**

12. Two days later, on 18 May 2018 GRECO enters into a contract with Leather Merchants Inc. to purchase 1200 alligator hides for the price of \$2,000,000 which were delivered on 10 June 2018 as agreed between GRECO and Leather Merchants Inc. GRECO paid the purchase price in full on 15 June 2018.

13. On 17 May 2018 via a letter sent by fax accompanied by a telephone call, AQUACULTURE informs GRECO that the tannery has been restored to its prior condition and alligator hides will be available to be dispatched within a week. **(Claimant's Exhibit No. 7)** In the response sent by fax on 18 May 2018, GRECO maintains its position, informing AQUACULTURE the

contract was avoided and they were compelled to resort to purchasing hides from a different vendor. **(Claimant's Exhibit No. 8)**

14. On 20 May 2018 AQUACULTURE writes to GRECO through its attorneys stating that AQUACULTURE is not in breach of contract and GRECO is obligated to perform its duties under the contract between parties as agreed. **(Claimant's Exhibit No. 9)**

III. Applicable law

15. Paragraph 20 of the contract between AQUACULTURE and GRECO provides that the contract is governed by the United Nations Convention on Contracts for the International Sale of Goods (CISG). Both Kingdom of Tarin and Republic of Arcland are party to the convention.

16. As provided by the arbitration clause in paragraph 21 of the contract of arbitration shall be administered by the Arbitration Centre of Arcland. Arcland has adopted the UNCITRAL Model Law on International Commercial Arbitration.

17. As provided by the arbitration clause in paragraph 21 of the contract any dispute relating to the contract shall be determined by arbitration in accordance with the UNCITRAL Arbitration Rules.

18. Both countries are party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (New York Convention).

IV. Appointment of Arbitrator

19. The Claimant appoints the following individual as its party-appointed arbitrator:

Mr. Gerald Cleveland
Tel: +2423265009
geraldcleveland@imail.com

V. The Legal Rights of the Claimant

20. The contract between GRECO and AQUACULTURE provided that both shipments were to be delivered on or before 30 April 2018. Upon the request of AQUACULTURE, GRECO fixed a period of time ending on 14 May 2018.

21. AQUACULTURE had not delivered the second batch of alligator hides on 14 May 2018. Taking account to the nature of the contract this amounts to a fundamental breach. **CISG Article 51(2)** . Thus GRECO was allowed to avoid the contract. GRECO sent notice to AQUACULTURE through its attorneys avoiding the contract.

22. GRECO has the right to reimburse the advance payment of \$300,000 and the first payment of \$700,000 and retain the hides until such payment is made **CISG Article 82(1)**

23. GRECO has the right to sell the hides to reimburse itself of the costs of preserving the hides and payments made **CISG Article 88(1)**

24. GRECO has the right to interest of \$300,000 from 10 February 2018 and \$700,000 from 21 March 2018. **CISG Article 78**

25. GRECO has the right to damages in the amount of \$200,000, the difference between purchase prices of AQUACULTURE and Leather Merchants Inc. **CISG Article 45(1)b** and **CISG Article 75**.

VI. Relief Requested by the Claimant

26. The Claimant requests the Tribunal to find:

- a. that the tribunal has jurisdiction to consider the dispute that has arisen between the Claimant and the Respondent;
- b. that there was a breach of the contract by the Respondent;
- c. that the breach of the contract constituted a fundamental breach;
- d. as a result of the Respondent's breach of contract, loss in a sum of \$200,000.00
- e. that Respondent is liable for the damages arising out of breach of the contract in a sum of \$200,000;
- f. the Respondent is obligated to reimburse the Claimant of the prior payments of the hides in the amount of \$1,000,000.00, pay interest on the sum of \$300,000 from 10 February 2018 and pay interest on the sum of \$700,000 from 21 March 2018;
- g. the claimant has the right to sell the goods and reimburse itself from the proceeds of the sale.

27. The Claimant requests the tribunal to order the Respondent:

- h. to reimburse the Claimant the prior payments in the amount of 1,000,000 ;
- i. to pay damages in the amount of \$ 200,000.00;
- j. to pay interest on the said sums; and
- k. to pay the costs of arbitration.

(Signed)

Ms. Paula Williams

Attorney-at-Law for the Claimant; Date: 20 July 2018

Claimant's Exhibit No. 1

12 January 2018

Mr John Ross,
Director of International Business,
Aquaculture Crocodile Farms (Pvt) Ltd,
No 10, Main Boulevard,
Flangly Falls,
The Kingdom of Tarin.

Sent by email

Dear Mr Ross,

It is with great pleasure I inform you that Vincent Greco (Pvt) Limited is interested in purchasing alligator hides for its next summer collection from your company which is scheduled to be released in July 2018.

Our requirement is for approx. 1200 alligator hides by the end of April.

Please let us know if you are capable of meeting the following specifications:-

Colour code : M 0104 Dark Brown
Grade : #1
Width : 60cm - 70cm
Length : 5ft - 8ft

We expect the alligator hides to be of premium quality and we await your quotation.

Yours Sincerely,

(Signed)
Jeremy Goldstein,
Managing Director

Claimant's Exhibit No. 2

14 January 2018

Mr Jeremy Goldstein,
Managing Director,
Vincent Greco (Pvt) Ltd,
No. 53, 45th Lane,
Cane, Arcland.

Sent by email

Dear Mr Goldstein,

It was a pleasure to learn that the renowned 'Vincent Greco' is considering our alligator hides for a summer collection.

We are very much interested in accepting your invitation to provide alligator hides. We have a wide range of exotic alligator hides to suit your requirements. Our tanneries are ranked among the best in the world, offering a wide variation of colours. We suggest providing our renowned speciality *Premium American Alligator* skin hides only commercially available in our farm for your requirements.

We warmly welcome you as our partners in trade.

Sincerely,

(Signed)
John Ross,
Director of International Business Affairs.

Claimant's Exhibit No. 3

CONTRACT

(The Exhibit sets forth the entire contract. Only the relevant excerpts are reproduced here.)

1. Aquaculture Crocodile Farms (Pvt) Ltd of (address) expects to sell and Vincent Greco (Pvt) Ltd of (address) to purchase 1200 nos of "Premium American Alligator" hides.

2. Aquaculture Crocodile Farm (Pvt) Ltd undertakes to deliver "Premium American Alligator" skin hides which shall meet the specifications set out in Schedule 1 of the Contract.

3. Goods will be delivered in two shipments,

- a. First of which shall arrive at the port of Republic of Arcland on or before 31st of March, 2018.
- b. Second shipment shall arrive at the port of Republic of Arcland on or before 30th of April, 2018 latest.

4. The total consideration of the hides is \$1,800,000.

5. Payment of \$1,800,000 shall be made in three installments,

- a. An advance payment of \$300,000 shall be made by the Buyer on or before the 10th of February, 2018.
- b. A further sum of \$700,000 shall be paid within a week upon receipt of the first shipment of 600 alligator skin hides.
- c. The balance sum of \$800,000 shall be paid within a week of final delivery of goods.

20. This contract shall be governed by the United Nations Convention on Contracts for the International Sale of Goods.

21. Any dispute, controversy or claim arising out of, or relating to this contract shall be determined by arbitration administered by Arcland Arbitration Centre in accordance with the UNCITRAL Arbitration Rules. The number of arbitrators shall be three. The place of arbitration shall be the Arcland International Arbitral Centre, Arcland. The language of the arbitration shall be English.

25th of January, 2018

(Signed)
John Ross
Aqua Culture Crocodile Farm (Pvt) Ltd

(Signed)
Jeremy Goldstein
Vincent Greco (Pvt) Ltd

Claimant's Exhibit No. 4

10th of April, 2018

Mr Jeremy Goldstein,
Managing Director,
Vincent Greco (Pvt) Ltd,
No 53 45th Lane,
Cane, Arcland.

Sent by email

Dear Mr Goldstein,

I wish to refer to our telephone conversation this morning regarding the recent events which took place against our establishment.

As you are aware, the crocodile farms in Tarin came under the criticism of Humans Against Cruel Treatment of Animals (HACTA) during last week. As the largest crocodile farm, we were particularly attacked in a violent protest organised by HACTA. One tannery in particular sustained heavy damages, and is temporarily closed down at the moment. We expect to start reconstruction tomorrow anticipating the protests will subside.

In view of the recent incidents, we would like you to consider extending the date of delivery for the second batch of alligator hides. Please note, due to the damages caused from the protestation, it would be difficult to deliver your order within the next few weeks.

Yours Sincerely,
(Signed)
John Ross,
Director of International Business Affairs.

Claimant's Exhibit No. 5



Vincent Greco (Pvt) Limited

53, 45th Lane, Caine,
Arland.
Tel+11000009812
vgreco@greco.com

Jeremy Goldstein
Managing Director
jgst@greco.com

15th of April, 2018

Mr John Ross,
Director of International Business,
Aquaculture Crocodile Farms (Pvt) Ltd,
No 10, Main Boulevard, Flangly Falls, Kingdom of Tarin.

Dear Mr John,

Referenced to your letter dated 10th of April, 2018 requesting for an extension for the delivery of the final batch of alligator hides.

Under the circumstances, we wish to inform you that we are in agreement of extending the date of the second delivery alligator skin hides to 14th of May, 2018.

Further, we hereby emphasise the importance of meeting the deadline of the delivery of goods. Our factories are in full preparation for the production of the new summer collection using alligator skin hides, therefore any failure to commence production will result adversely in our sales this year.

On the contrary, we will be compelled to purchase another batch of alligator skin hides from another vendor should you fail in your commitment. Any losses will force us to initiate legal action against you.

Sincerely,
(Signed)
Jeremy Goldstein,
Managing Director

Claimant's Exhibit No. 6

Paula Williams,
Attorney-at-law,
103 Will Street,
Caine, Arcland.
Tel+11033356578
paula.williams@gmail.com

16th of May, 2018

Mr John Ross,
Director of International Business,
Aquaculture Crocodile Farms (Pvt) Ltd,
No 10, Main Boulevard,
Flangly Falls,
Kingdom of Tarin.

Dear Mr Ross,

I represent Vincent Greco (Pvt) Ltd

On 15 May 2018 Vincent Greco (Pvt) Limited avoided the contract between it and Aquaculture Crocodile Farms (Private) Limited entered into on 25 January 2018 for Aquaculture Crocodile Farms (Private) Limited to provide alligator skin hides to be used in the 2018 summer collection of Vincent Greco (Private) Limited.

As Aquaculture Crocodile Farms (Pvt) Limited failed to perform its obligations under the contract Vincent Greco (Pvt) Limited is forced to consider other options to supply itself with hides.

I have been instructed to make a demand of complete reimbursement of all the payments made by Vincent Greco (Pvt) Limited amounting to \$1,000,000 and Vincent Greco (Pvt) Limited shall retain the possession of delivered 600 hides as security until such reimbursement is made.

Yours Sincerely,
(Signed)
Paula Williams.

Claimant's Exhibit No. 7



No 10, Main Boulevard,
Flangly Falls,
Kingdom of Tarin.
Tel +14873892357
aquaculture@acf.org

Aquaculture Crocodile Farms (Pvt) Ltd

John Ross,
Director of International Business
jross@acf.org

17th of May, 2018

Mr Jeremy Goldstein,
Managing Director,
Vincent Geco (Pvt) Ltd,
No 53, 45th Lane,
Caine, Arcland.

Sent by facsimile

Dear Mr Jeremy,

The damaged tannery has been restored to its prior condition and now functioning in its full capacity. The alligator skin hides will be available to be dispatched within a week to Arcland.

We hope that you will keep in accordance with the contract and continue with the final transaction as agreed.

Sincerely,

(Signed)
John Ross,
Director of International Business.

Claimant's Exhibit No. 8



Vincent Greco (Pvt) Limited

53, 45th Lane, Caine,
Arland.
Tel+11000009812
vgreco@greco.com

Jeremy Goldstein,
Managing Director
jgst@greco.com

18th of May, 2018

Mr John Ross,
Director of International Business,
Aquaculture Crocodile Farms (Pvt) Ltd,
No 10, Main Boulevard,
Flangly Falls,
Kingdom of Tarin.

Dear Mr John,

I regret to note that you have failed to deliver goods in keeping with our agreement.

Therefore we would consider our contract null and void as you have not performed your part of the contract as expected. I am sure you would agree with me that your actions have adversely affected our sales plan for the year, leaving us but no option to purchase hides necessary for production from a different source.

Please be kind enough to return the payments made by us upon which we shall deliver the hides. Failing of which would compel us to seek legal action and recover our expenses so far by selling the hides as already informed to you by our attorney.

Yours Sincerely,
(Signed)
Jeremy Goldstein,
Managing Director.

Claimant's Exhibit No. 9

Arnold Reagan,
Attorney-at-law,
45 Bowler's Place,
Flangly Falls, Tarin.
Tel+15033356578
arnold.reagan@beemail.com

20th May, 2018

Mr Jeremy Goldstein,
Managing Director,
Vincent Greco (Pvt) Ltd,
No 53, 45th Lane,
Caine, Arcland.

Dear Mr Goldstein,

I represent Aquaculture (Pvt) Ltd

As instructed by my client I wish to state the following.

Aquaculture Crocodile Farms (Pvt) Limited is not in breach of the contract signed on 25 January 2018.

The date fixed by Vincent Greco (Pvt) Limited was not reasonable under the circumstances, and as informed by the letter dated 17 May 2018, we are prepared to exercise our obligations under the contract. Therefore the Vincent Greco (Pvt) Limited has no legal right to avoid the contract on the grounds that the goods were not delivered.

Further, as per paragraph 6 of the contract Greco is prohibited from resale or transfer of the alligator hides without prior authorisation of Aquaculture Crocodile Farms.

Yours Sincerely,

(Signed)
Arnold Reagan.

ARCLAND INTERNATIONAL ARBITRATION CENTRE

Vincent Greco (Pvt) Limited, Claimant

vs.

Aquaculture Crocodile Farms (Pvt) Limited, Respondent

Answer and Statement of Defense

I. Facts

1. Respondent agrees that parties mentioned in paragraphs 1 - 4 of statement of claim is correct.
2. Respondent has no independent knowledge as to the statements in paragraph 12 of the application for arbitration.
3. Respondent accepts the statements in paragraphs 5,6,7,8,10,11,13,14 of the statement of claim, paragraph 15-18 of jurisdiction of arbitration and paragraph 19 of appointment of the arbitrator.
4. With regard to paragraph 9 of the statement of claim Respondent would like to add that the email sent to GRECO (Claimant's Exhibit No. 4) was preceded by a telephone call made to GRECO discussing the unfortunate incident of the protest in detail and its adverse impact on delivering alligator hides on the time agreed by the parties. In the telephone conversation GRECO stated they will take the incident into consideration and fix a practicable date of delivery.
5. Further, the unforeseen destruction of the tannery caused by violent protests subsequent to the allegations by the animal rights group, Humans Against Cruel Treatment of Animals, HACTA caused notable damage to the manufacturing process and resulted in a significant slow down of production rates of AQUACULTURE. The incident was reported on local news. **(Respondent's Exhibit No. 1)**
6. Respondent denies the legal arguments and relief requested in paragraphs 20 through 27.

II. Governing Law

7. As provided in clauses 20 and 21 of the contract any dispute arising between the parties should be settled by arbitration in accordance with UNCITRAL Arbitration Rules, UNCITRAL Model Law on International Commercial Arbitration, the Convention on the Recognition and Enforcement of Foreign Arbitral Awards and the contract is subject to United Nations Convention on Contracts for the International Sale of Goods (CISG)

III. Merits

8. AQUACULTURE is not in breach of contract under two provisions of CISG.
9. **Article 25 of CISG** provides that:

A breach of contract committed by one of the parties is fundamental if it results in such detriment to the other party as substantially to deprive him of what he is entitled to expect under the contract, unless the party in breach did not foresee and a reasonable person of the same kind in the same circumstances would not have foreseen such a result.

10. Failure to meet the date of delivery of the second shipment was a consequence of damage done to AQUACULTURE's tannery due to the violent protest of HACTA. **(Claimant's Exhibit No. 4)** Neither such protests nor damages occurred to the tannery therein were foreseeable at the time parties entered into contract. **(Respondent Exhibit No.1)**

11. **Article 51(1) of CISG** provides that:

If the seller delivers only a part of the goods or if only a part of the goods delivered is in conformity with the contract, Articles 46 to 50 apply in respect of the part which is missing or which does not conform.

12. AQUACULTURE delivered the first shipment of alligator skin hides on 20 March 2018 as agreed. Therefore non-delivery of the second shipment on the stipulated date of delivery does not amount to a fundamental breach of the contract. **CISG Article 51(1)**
13. The delay in the shipment which was caused as a result of the damage done to a tannery during a violent protest was an impediment beyond the control of AQUACULTURE. Further, AQUACULTURE gave due notice to GRECO of the impediment

and its effect on their ability to perform. Therefore, AQUACULTURE should be exonerated from any liability under **CISG Article 79**.

14. The time period fixed by GRECO for AQUACULTURE to deliver the hides is not reasonable under the circumstances of the case. Therefore avoiding the contract was void and amounted to a breach by GRECO.
15. GRECO does not gain any right under **CISG Article 88** as there has been no delay on the part of AQUACULTURE in taking back the goods.
16. GRECO is liable to perform his obligations under the contract and pay the contract price for the second shipment of hides upon delivery. **CISG Article 60** and **Article 62**.

III. Interim Measure

17. Respondent denies the right of the claimant to sell the alligator hides in paragraph 26 of the statement of claim.
18. The alligator skin hides that are the subject of the arbitration are exclusively produced to the claimant by respondent (**Claimant's Exhibit No. 2**) and re-sale of same would be a breach of contract between parties. (Clause 6 of the Contract, (**Respondent's Exhibit No.2**) Therefore claimant shall maintain the status quo pending the determination of the dispute. **UNCITRAL Model Law Article 17(2)(a)**
19. Free release of aforementioned alligator hides to the market would jeopardize the brand of the respondent in the long term. Therefore harm sustained by the respondent resulting from the re-sale of the hides will not be adequately reparable by an award of damages. **UNCITRAL Model Law Article 17(A)**

IV. Appointment of Arbitrator

20. The Respondent appoints the following individual as its party-appointed arbitrator:

Mr. Andy Repp
Tel: +2423265009
andyrepp@popmail.com

V. Relief Requested by the Respondent

21. Respondent requests the Tribunal to Find:

- a. That respondent is not in breach of contract.
- b. That respondent is exempted from any damages that claimant may have suffered.
- c. That claimant is under obligation to fulfill its duties under the contract and liable to pay the remaining payment of \$800,000 as provided in the contract.

22. Respondent requests the Tribunal to issue an interim order to the claimant,

- d. Not to resell or transfer alligator skin hides to a third party until the dispute is finally decided.

23. Respondent requests the Tribunal to order the claimant,

- e. Accept the delivery of the final shipment of hides and pay a sum of \$800,000 to the respondent, as provided in the contract between the parties.
- f. Pay the cost of arbitration.

(Signed)

Arnold Reagan, Attorney-at-Law

Respondent's Exhibit No. 1

Article published in Daily Herald on 06 April 2018

Protests by Animals Rights Group in Flangly Falls Turns Wild

(06/04/2018)

In a fresh outburst of protests against animal cruelty, thousands of animal lovers gathered in the streets of Flangly Falls in support of animal rights group, Humans Against Cruel Treatment of Animals (HACTA). HACTA published a controversial report in its monthly magazine detailing the unethical practices of the farm. The animal rights group was successful in gaining public attention in the past recent weeks, accusing the oldest crocodile farms of inhumane practices of inhumane culling methods and single pen farming.

Thereafter, the crowd forced themselves through the gates of one of the largest crocodile farms, in a violent frenzy and caused heavy damages to several buildings on the premises.

A spokesperson for the farm confirmed that while two tanneries were attacked, one was damaged beyond functionality and would be closed down. He further denied any allegations made by the animal rights group regarding the poor conditions maintained inside the farm, violating the farm's previously affirmed conditions conforming to Terrestrial Animal Health Standards. (Amy Orleans)

Respondent's Exhibit No. 2

CONTRACT

(The Exhibit sets forth the entire contract. Only the relevant excerpts are reproduced here.)

6. Vincent Greco (Pvt) Limited shall employ the contracted alligator skin hides in its manufacturing process and in no way shall directly or indirectly resell, transfer or assign to a third party without the written authorisation of Aquaculture Crocodile Farm (Pvt) Limited.

Arcland International Arbitration Centre

Vincent Greco (Pvt) Limited, Claimant

v.

Aquaculture Crocodile Farms (Pvt) Limited, Respondent

Procedural Order No. 1

1. GRECO has instituted the arbitration to recover the purchase price paid for alligator skin hides that were to be used in the manufacturing of a collection of leatherware and to recover consequential damages resulting from non-delivery on the stipulated date.
2. It was agreed by the parties that prior to the consideration of evidence, written memorandum will be filed by each party summarising the factual matrix and the legal arguments relied on by each party to support their respective positions. Accordingly, the issue of jurisdiction shall be considered together with the other legal issues on which the parties shall make submissions.
3. It was agreed accordingly that each party shall submit a memorandum discussing the following issues on or before 20 February 2019. The memorandums should have an index of all case law and other authorities the parties have relied on when developing their arguments. Copies of all authorities cited by the parties should be submitted as annexures to the memorandums at the oral hearing.
4. The memoranda should discuss the following issues:
 - a. Can an interim order be issued against GRECO preventing the re-sale of hides to reimburse its losses?
 - b. Is AQUACULTURE in fundamental breach of contract by failing to deliver the hides on the fixed date?
 - c. Is AQUACULTURE liable to pay damages for the losses incurred to GRECO resulting from failing to deliver hides by the fixed date?
 - d. Is GRECO liable to perform its duties under the contract and accept the delivery of hides and make the contracted payment?
5. Oral arguments will be scheduled in the month of March 2019.

(Signed)
Chairman of the Arbitral Tribunal,
Mrs. Bianca Brown

Arcland International Arbitration Centre

Vincent Greco (Pvt) Limited, Claimant

v.

Aquaculture Crocodile Farms (Pvt) Limited, Respondent

Procedural Order No. 2

In conformity with the instructions given in Procedural Order No. 1 there have been a number of requests for clarification. The clarifications are provided herein below,

Legal System & Applicable Law

1. **As both Kingdom of Tarin and Republic of Arcland are common law countries, are general principles of contract law applicable? Furthermore, is case law pertaining to this case is admissible?**

Yes

Contract negotiations and performance

1. **In point 23 of the Notice of Arbitration and Statement of Claim, what are the “payments made” that the Claimant refers to?**

“Payments made” mentioned in point 23 of the Notice of Arbitration and Statement of Claim refers to the advance payment made on 9 February 2018 and the payment made subsequent to the delivery first batch of tanned alligator skin hides.

2. **In what way and to what extent did the inability of Aquaculture to meet the revised deadline of 14th May 2018, adversely affect the sales of GRECO?**

As mentioned in paragraph 3 of Claimant’s Exhibit No. 5 any obstruction to release the summer collection as planned would have affected timely production of GRECO’s summer collection, thereby affecting the sales of GRECO that year.

3. **In point 16 of the Notice of Arbitration and Statement of Claim, there is a reference to an entity known as “Atlanta”. Should it be corrected to “Arcland”?**

Yes

4. Are the teams given allowance to exclude points of claim/ response found in the two statements and also to add to the relief that is being sought by both sides?

The four issues to be argued (As stated in Procedural Order 1) and the prayers of relief of both Parties are not subject to change. Teams may be creative on how they wish to argue each issue on behalf of their respective client.

*** All participants shall only rely on documents and information that have been already provided as far as the factual matters are concerned. No other excerpts or exhibits are provided.**

Following amendments have been made to the Moot Problem and Procedural Order 1

1. In **paragraph 5 of page 3**, "...they are capable of adhering to the specifications and timely delivery of the commodity....." should be amended as "...they are capable of adhering to the specifications."
2. In **paragraph 2 of Claimant's Exhibit No. 8**, "Therefore we would consider our contract null and void as you have not performed your part of the contract as expected. I am sure you would agree with me that your actions have adversely affected our sales plan for the year." should be amended as "Therefore we would consider our contract null and void as you have not performed your part of the contract as expected. I am sure you would agree with me that your actions have adversely affected our sales plan for the year, *leaving us but no option to purchase hides necessary for production from a different source*"
3. The Deadline for submission of soft copy of memoranda (10 February 2019) mentioned in **paragraph 03 of Procedural Order No. 1** has been extended until 20 February 2019 as per the amended schedule and the deadline for submission of hard copies of memoranda is 1 March 2019.

Following typos and spelling errors have been corrected,

1. Point VI. of Notice of Arbitration and Statement of Claim in the Table of Contents should be corrected as , " Relief Requested by the Claimant"
2. In point 10 of page 4, "..will be forced supply..." should be corrected as "..will be forced to supply..."
3. In point 14 of page 5, "..GRECO is obligated perform its.." should corrected as "..GRECO is obligated to perform its.."

4. In point 16 of page 5, "...in paragraph 21 of the contract arbitration.." should be corrected as "...in paragraph 21 of the contract of arbitration.."
5. Heading VI. in page 6 should be amended as Relief Requested by the Claimant.
6. In the Claimant's Exhibit No.5, "emphasize" in the third paragraph should be amended as "emphasise" and "In the contrary" in the fourth paragraph should be amended as "On the contrary"
7. Paragraph 2 of the Claimant's Exhibit No.6 should be amended as "As Aquaculture Crocodile Farms (Pvt) Limited"
8. In point 2 of page 16, "paragraphs" should be amended as "paragraph"
9. In point 5 of page 16, it should be amended as "The incident was reported on local news."
10. In point 21 of page 19 should be amended as "Respondent requests.."
11. The second point of page 19 should be 22 and should be amended as "Respondent requests.."
12. The third point of page 19 should be 23 and should be amended as "Respondent requests.."
13. In point e of page 19, "Claimant" should be amended as "Respondent"
14. In the third paragraph of page 20, "comditions" should be amended as "conditions"

(Signed)
Chairman of the Arbitral Tribunal,
Mrs Bianca Brown

THE END
