

# GCX MAIZE CONTRACT

## GHANA COMMODITY EXCHANGE MAIZE CONTRACT

### 1. CONTRACT CLASSIFICATIONS AND DELIVERY CENTERS

White maize and Yellow Maize	Kumasi (KU) Ejura (EJ) Tamale (TA) Wenchi (WE) Sandema (SA) Wa (WA)
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### 2. MAIZE GRADING PARAMETERS

Maize Type	Delivery Location	Symbol	Grade
White	GCX certified warehouse	WM	1,2,3,4
Yellow	GCX certified warehouse	YM	1,2,3,4

All Maize delivered and stored in a GCX certified warehouse shall have a good natural color and free from objectionable odor, have a maximum moisture content of 13.0%, and contain no live insects, toxic seeds or metal fragments.

#### 2.1 Definitions

<b>Maize</b>	The shelled grains of <i>Zea mays</i> .
<b>Moisture Content</b>	The moisture content, expressed on a wet weight bases, as determined by using a moisture meter with a repeatability of $\pm 0.3$ as indicated by the supplier.
<b>Foreign matter</b>	All organic and inorganic material (sand, sand, soil, glass) other than maize, broken kernels and other grains.
<b>Broken kernel</b>	Pieces of maize which shall pass through a 4.50 mm round whole metal sieve
<b>Pest damaged grains</b>	Kernels with obvious weevil bored holes or which have evidence of boring or tunneling, indicating the presence of insects, insect webbing or insect refuse, or degermed grains, chewed in one or more than one part of the kernel

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	which exhibit evident of an attack by vermin.
<b>Rotten &amp; Diseased</b>	Grains made unsafe for human consumption due to decay, moulding, or bacterial decomposition, or other causes that may be noticed without having to cut the grains to examine them.
<b>Discoloured</b>	Kernels materially discolored by excessive heat, including that caused by excessive respiration and dried damage kernels. Kernels may appear darkened, wrinkled, blistered, puffed or swollen often with discolored damaged germs. The seed may be peeling or may peel off completely, giving kernels a checked appearance.
<b>Immature/Shriveled</b>	Maize grains which are underdeveloped, thin and papery in appearance.
<b>Other grains</b>	Grains, whole or broken, other than maize.
<b>Toxic seeds</b>	<ul style="list-style-type: none"> <li>• Crotalaria seeds,</li> <li>• castor beans (<i>Ricinus communis</i>)</li> <li>• Cookie burs (<i>Xanthium</i>)</li> </ul>
<b>Objectionable Odor</b>	Unpleasant smell that is caused by weathering, chemical contamination, mold infection, disease or damage caused by insect.
<b>Good Natural Color</b>	The natural appearance of the grain, which is pure and has not been affected by natural or man-made factors.

## 2.2 Classification

No	Class	Color
1	White Maize	≥ 98 % by weight white color kernel
2	Yellow Maize	≥ 98 % by weight yellow color kernel



## 2.4 Grading Parameters

### GHANA COMMODITY EXCHANGE GRADING STANDARDS FOR MAIZE

Parameter	Grade 1	Grade 2	Grade 3	Grade 4
Moisture Content	13%	13%	13%	13%
Insect damage	1%	3%	5%	7%
Rotten, Diseased and Discoloured	2.5%	5%	6.5%	10%
Immature/Shrivelled grain	1%	2%	3%	5%
<b>Total Defective Grains</b>	<b>4.5%</b>	<b>10%</b>	<b>14.5%</b>	<b>22%</b>
Broken grain	2%	4%	6%	10%
Foreign matter (include earth, sand and stones)	0.5%	1%	1.5%	3%
Live Infestation	None	None	None	None
Inorganic matter	0.25%	0.5%	0.75%	1.5%

- An adjustment of 1.5% is made to the weight of the grain on deposit to make provision for losses during the handling and storage process.
- Maize must be free from foreign odours.
- Maize must be free from glass, coal, dung or metal
- White maize = min of 98% white kernels
- Yellow maize = min of 98% yellow kernels
- Total Defective Grains include the sum of pest damage, discoloured, immature/shrivelled and rotten and disease grains.
- The sampling and grading is being done using a work sample of at least 200 gram and is based on the procedures below.

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**AFLATOXIN IS NOT A GRADING PARAMETER BUT NO GRADE 1, 2 or 3 will be accepted by the GCX for trading if the**

- Total Aflatoxin level exceed 10 ppb.
- Aflatoxin B1 level exceed 5 ppb
- Fumonisin exceed 2,000 ppm

**Based on regular tests done by an independent lab appointed by the GCX.**

Maize which does not meet the requirements of the above Table cannot be accepted to be stored at GCX warehouses.

The GCX holds the right to not receive all the grades at all the warehouses based on operational factors.

PACKAGING	
Packaging	Each grade of maize shall be packed in clean and sound 50 kg capacity polypropylene (PP) bags used no more than once prior to deposit. Delivery will be effective on Net Weight basis, which implies that weighing of maize will be done on exclusive of bags basis and no additional payment will be given for the cost of bag.
SAMPLING PROCEDURES	
Sampling Procedures	<ul style="list-style-type: none"><li>• A representative sample is being taken from the consignment.</li><li>• The number of bags sample per consignment will depend on the number of bags delivered<ul style="list-style-type: none"><li>• &lt;25 bags: Every bag must be sampled</li><li>• ≥25 bags: 10 % of consignment (min 25 bags) must be sampled</li></ul></li><li>• The Sample must be ≥ 0.5 kg</li><li>• The Sample must be clearly marked.</li><li>• The samples are being taken at different positions on the bags like at the bottom of the bag, in the middle of the bag and on the top of the bag. More than one sample can also be taken from the same bag.</li></ul>
Weighing Procedure	<p>The bags are being weighed by applying the following:</p> <ul style="list-style-type: none"><li>• Calibrated scales are being used and a calibration certificate is available.</li><li>• The operating manual is being followed.</li><li>• The equipment must be clean, empty and balanced (zero) before the process starts.</li></ul>

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Grading Procedure	<p>The grading of the maize is being done according to the grading standards in 2.4, based on the following:</p> <ul style="list-style-type: none"> <li>• A Working sample of at least 200grams is obtained by dividing the grading sample in smaller samples using a Multi slot divider.</li> <li>• The moisture content is being measured by using a moisture meter with a repeatability of <math>\pm 0.3</math> as indicated by the supplier.</li> <li>• The broken kernels are being calculated by using a 4.5mm round whole metal sieve. The sieve is being pushed 20 times (away and return) on a hard smooth surface.</li> <li>• The other grading parameters are being tested by identifying the non-conformed kernels according to the definitions in 2.2 and calculating the percentage.</li> </ul>
Disputes during intake	<p>The depositor can request the GCX Store Manager to re grade the product including resampling. If the depositor is still not satisfied, the depositor can appeal to the GCX Head Office for re grading including resampling. The GCX Head Office decision is final.</p>
Disputes during deliveries (out loading)	<p>The holder of this electronic warehouse receipt can be present when the product is being graded and weighed.</p> <p>If the holder of this electronic warehouse receipt is not satisfied with the grading results or the quantity, he can request the GCX Store Manager to repeat the process of sampling and grading. If the holder of this electronic warehouse receipt is still not satisfied with the results of the second grading, the situation must be handled as follows:</p> <p>If quantity is disputed, the scale / weighbridge must be tested by using the test weights. The quantity / weight will be accepted as the final quantity if the test weights confirm accuracy. If the scale weighs the test weights incorrectly the scale must be re-calibrating and tested again with the test weights before the product is weighed again;</p> <p>If the grade result is disputed, an expert independent grader from the Exchange panel can be requested to grade the samples under dispute;</p>

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	<p>The expert independent grader can only give an opinion on the sample that is disputed;</p> <p>The findings of the expert independent grader are final and must be accepted by all the parties; and</p> <p>The party losing the dispute is responsible for the costs that include travel and the fee of the independent grader, as well as any standing cost of the transport vehicle. Consequential damages are excluded from the claim. The Exchange's expert independent grader can be from the Ghana Standards Authority (GSA)</p>
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## 3.0 STANDARD TRADING TERMS

Trading unit	1 MT net weight (in 50kg bags) equivalent to <b>1000kg</b> . The weight tolerance level per lot upon deposit is <b>+/-4.0%</b>
Tick size (minimum price movement)	Minimum price increment or decrement by which price may be quoted: 1 Ghana Cedis
Daily Trade Limit	1,000MT for members 500MT for clients The Daily Trade Limit is the total quantity a member or a client is allowed to buy or sell during a trading session.
Weight Tolerance Per Lot	The difference between exact weight recorded and the contract standard weight is adjusted at settlement.
Daily price filter/Price range	The daily price filter is the maximum percentage range, relative to the previous day's closing price, outside of which offer and bid prices may not fall or rise. GCX may change these limits from time to time, on a pre-announced basis. Price Limit For Maize: +/- 4 %
Warehouse Receipt Expiration Period	The Warehouse Receipt will be tradable for a period of 90 days from the date of Warehouse Receipt issuance.
Penalty on warehoused goods after expiration of Warehouse Receipt	A penalty of 1.5% per day calculated on the current tradable value of the good, using the closing price of the same grade as the warehoused goods, will be applied after the expiry of the Warehouse Receipt.
Warehouse Receipt	All transactions must be based on GCX Warehouse Receipt, indicating that commodities are in deposit in a GCX operated or certified warehouse prior to trade.
Contract quote basis	All prices will be quoted "Ex- Warehouse", exclusive of taxes, fees and charges.

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Quotation Factor	Prices are represented in Ghana Cedis per MT
Trading session	Monday through Friday, with the exception of public holidays.

## 4.0 STANDARD SETTLEMENT TERMS

Pay-in of Funds (Time when funds will be withdrawn from buyer pay-in accounts).	Next working day (T+1)										
Pay-out of Funds (Time when funds will be deposited into seller pay-out account)	Next working day (T+1)										
Trading fees	1% of transaction value (Buyer & Seller)										
Regulatory (SEC) fees	0.11% of transaction value (Buyer & Seller)										
Central Depository & Settlement fees	0.10% of transaction value (Buyer & Seller)										
Handling and Product Certification fee	<b>The handling fee will include:</b> <table> <tr> <td>Sampling and Testing</td><td>No charge</td></tr> <tr> <td>Handling (Loading &amp; Offloading)</td><td>GHS1.50 per 50kg bag</td></tr> <tr> <td>Storage &amp; Fumigation</td><td>GHS0.80 per 50kg bag</td></tr> <tr> <td>Grading, Weighing and Rebagging</td><td>GHS2.50 per 50kg bag</td></tr> <tr> <td>E – WR</td><td>GHS5.00 per MT</td></tr> </table>	Sampling and Testing	No charge	Handling (Loading & Offloading)	GHS1.50 per 50kg bag	Storage & Fumigation	GHS0.80 per 50kg bag	Grading, Weighing and Rebagging	GHS2.50 per 50kg bag	E – WR	GHS5.00 per MT
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E – WR	GHS5.00 per MT										

## 5.0 STANDARD DELIVERY TERMS

<b>GCX Warehouse Locations</b>	Delivery locations will be GCX certified delivery centers.
<b>Delivery Notice</b>	Warehouse pick-up instructions will be delivered to the Member representing the buyer (T+1)
<b>Pick Up Notice</b>	Member must fill out a pickup notice (PUN) with the exchange before picking up goods
<b>Delivery Period</b>	Number of days the buyer will have to pick up the lots from the warehouse without paying additional charges is T+10 (calendar days)
<b>Failure to Pick up</b>	Buyer is responsible for making arrangement to pick up commodity by T+10 (calendar days). Buyer will be responsible for all warehouse storage charges afterwards.
<b>Extension of Delivery Period</b>	As per the Exchange decision due to a force majeure

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