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RECORDS SECTION

(In the text of the amendments below, additions are underlined.)

Rule 8.14. Storage and Packaging

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(c) Notwithstanding paragraphs (a) and (b) above, if coffee is delivered in a bag(s) that is torn and:

(1) if, prior to the coffee being delivered, the warehouse has given written notice to the deliverer of the coffee that the bag(s) is torn and needs to be repaired, then the deliverer of the coffee shall be liable for the repair of the torn bag(s); or

(2) if, prior to the coffee being delivered, the warehouse has met its obligations to inspect the coffee on a weekly basis as provided in Coffee "C" Resolution No.2(IV)(2) and the receiver of the coffee has failed to inspect the coffee during the seven (7) business days between the issuance of the Delivery Notice and the date of Delivery, then the receiver of the coffee shall be liable for the repair of the torn bag(s).

Any dispute concerning the liability for the repair of a torn bag(s) during the delivery period shall be heard in an expedited arbitration pursuant to the applicable provisions of Rule 8.17.

Rule 8.17. Expedited Arbitration Procedure

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(b) Any dispute arising between the warehouse and either a Member delivering coffee or a Member receiving coffee concerning the liability for the repair of a torn bag(s) may be settled by arbitration in accordance with the provisions of this Rule; provided, however, that if the claimant does not give written notice to the Exchange of the dispute within fifteen (15) business days of the Last Notice Day of the Coffee "C" contract in which the delivery of the coffee in the torn bag(s) was to occur or has occurred, said warehouse or Member shall be deemed to have waived his rights under this section, without prejudice to any other rights or remedies at law or under any other provisions of the Rules. The filing of a notice hereunder shall not affect the obligations of a receiver under the Rules to pay for coffee delivered against a Coffee "C" Contract, provided that each of the documents specified in Rule 8.12 has been duly presented to the receiver.

EXHIBIT A

([b]c) Each notice filed pursuant to subparagraphs (a) and (b) hereof shall be accompanied by a non-refundable check payable to the Exchange in the amount of \$375 for each lot that is the subject of the arbitration.

([e]d) Upon receipt by the Exchange of a notice hereunder, the Exchange shall forward one copy of said notice to all interested parties.

([d]e) With respect to arbitrations brought pursuant to subparagraph (a), [A] a Special Arbitration Committee of three disinterested members of the Coffee Committee shall be appointed by the Chairman Each Special Arbitration Committee shall determine the procedures to be followed in any hearing before it, except that the following shall apply in every case:

* * *

(9) The rights and duties set forth in this Rule with respect to parties shall apply to any Member joined as a party pursuant to subparagraph ([d]e)(8) hereof.

([e]f) The party adjudged in default

([f]g) If such settlement price is less than the price stated in the Delivery Notice, neither deliverer nor receiver shall be obliged to compensate the other party, except to the extent required by subparagraph ([e]f) hereof.

([g]h) If such settlement price is more than the price stated in the Delivery Notice, neither deliverer nor receiver shall be obliged to compensate the other party except to the extent required by subparagraph ([e]f) hereof.

([h]i) In addition, any award, if not complied with within the time specified in the award, shall be enforceable by disciplinary proceedings commenced pursuant to the [~~By-Laws~~] Exchange's Rules.

([i]j) Such payment shall be accepted as final payment, . . . as part of the compensation determined pursuant to paragraphs ([f]g) and ([g]h),

(k) With respect to arbitrations brought pursuant to subparagraph (b), a Special Arbitration Committee of three disinterested members of the Warehouse and License Committee shall be appointed by the Chairman within one (1) Exchange business day of the Exchange's receipt of the written notice of the dispute; provided, however, if members of the Warehouse and License Committee have an interest in the dispute which precludes the appointment of a Special Arbitration

Committee comprised entirely of members of the Warehouse and License Committee, the Chairman may appoint to the Committee, in his sole discretion, other persons who are associated with the warehousing and storage of coffee but in no event shall a Special Arbitration Committee fail to include at least one member of the Warehouse and License Committee. The Special Arbitration Committee shall establish the date, time, and place for a hearing. Each Special Arbitration Committee shall determine the procedures to be followed in any hearing before it, except that the procedures listed in subparagraphs (e)(1) through (9) shall apply in every case.

(i) The Special Arbitration Committee appointed pursuant to subparagraph (k) above shall render its award in writing granting any remedy or relief which it deems just and equitable. The award of the Special Arbitration Committee shall be final and binding upon each of the parties to the arbitration, and judgment upon such award may be entered by any court having jurisdiction. In addition, any award, if not complied with within the time specified in the award, shall be enforceable by disciplinary proceedings commenced pursuant to the Exchange's Rules.

No. 2. Warehouse Procedures and Recordkeeping Requirements for the Storage of Exchange Coffee

RESOLVED, that the following are the minimum acceptable standards and procedures to be followed by Exchange licensed coffee warehouse in connection with the storage of Exchange-certified coffee.

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IV. STORED COFFEE

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2. The warehouse shall be responsible to the owner for maintaining coffee bags in a licensed store in accordance with Exchange standards. The warehouse shall keep stored coffee bags and beans clean, undamaged and free from any and all foreign matter (including but not limited to dirt, bird droppings, dead or live insects, pupal cases, webbing) which could be detrimental to the delivery of the coffee. The warehouse shall conduct a weekly inspection of each lot of Exchange coffee to determine its condition and conformity with Exchange standards. The warehouse shall take all necessary precautions to prevent contamination/infestation of the bags. It shall prepare and maintain a log documenting that the weekly inspections are conducted. The log shall contain, but shall not be limited to, the following

information: the location of the warehouse, the date the inspection was conducted, the name of the individual conducting the inspection and any findings that require the warehouse to perform maintenance work on the bags and the Exchange application and/or lot numbers of the bags that require such work.

[REMAINDER OF RESOLUTION UNCHANGED]