

02 NCAC 43E .0103 PROVISIONS TO BE COVERED IN ALL CONTRACTS

The following provisions must be covered in all fruit and vegetable contracts:

- (1) Product. The kind of product and variety or type shall be specified in the contract.
- (2) Delivery. The opening and closing dates, the days of week, and hours of day for deliveries by producers shall be specified in the contract.
- (3) Quantity. Any limitations as to quantity handler will accept shall be specified in the contract. Unless limitations are set forth in the contract, it shall be the responsibility of the handler to accept all produce meeting the terms of the contract during the specified period stated in the contract.
- (4) Containers. The contract shall specify the kind of containers to be used for deliveries and who shall furnish such containers. If deliveries are to be made in bulk, state bulk delivery.
- (5) Size of Commodities. The contract shall specify any limitation as to minimum and maximum diameter or length of commodities to be received by the handler, and any limitations as to the percentages of sizes under or over the specified sizes.
- (6) Quality and Condition. These factors shall be clearly defined. If official United States Standards are used as the quality and condition basis the contract shall so specify. If United States Standards are not used, the contract shall define the meaning of the quality and condition terms used. The contract shall specify any limitations as to percentage of defects a lot may contain before considered cause for rejection.
- (7) Insecticides and Pesticides. When handlers specify the use of insecticides and pesticides the contract shall state that such shall comply with the requirement of the United States Environmental Protection Agency, Pesticide Regulation Division and the United States Pure Food, Drug and Cosmetic Act.
- (8) Statement or Terms. Statements or terms used in contracts shall be clear. Such vague terms as "satisfactory stock" or "cull material", etc., shall not be used unless defined.
- (9) Time of Payment. The time of payment for deliveries shall be definitely fixed and specified in the contract.
- (10) The time of payment for the products to be set at a date within 30 days from date of harvest.
- (11) Provisions to show the price to be paid for the product.
- (12) Provisions to show that the final acceptance of all products by the handler, will be in North Carolina.
- (13) Provisions to show who, by what method and at whose cost products will be harvested and delivered.
- (14) Provisions to release either party from the contract for reasons due to an act of God or any similar circumstances beyond their control.
- (15) No statement will be used in any contract that conflicts with the required provisions.

History Note: Authority G.S. 106-496; 106-497; 106-498; 106-499; 106-500(3);
Eff. August 1, 1982;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 23, 2017.