United States proposal would be referred to the Working Group. A reformulation of article 32 might settle the problem of the exclusion of actions for nullity. He invited members to express their views so that the Working Group could take them into account when formulating a solution.

Mr. LOEWE (Austria) said that his delegation would support the compromise suggested by the Belgian representative.

Mr. OLIVENCIA (Spain) said that his delegation was prepared to support the compromise suggested by the Belgian representative and wished to withdraw its earlier amendment. It had found the statement by the representative of UNIDROIT both interesting and pertinent, particularly with regard to its draft provisions on nullity. His delegation supported the United States proposal to qualify the text of the article 1 (1).

Mr. MANTILLA-MOLINA (Mexico) noted differences between the French, Spanish and English versions of the draft Convention. He suggested that the French text should be used as the basis for the Commission's work.

Mr. GUEIROS (Brazil) said that his delegation could accept the compromise suggested by the Belgian representative and the amendment proposed by the United States delegation. He agreed with the suggestion made by the Mexican representative.

Mr. LASALVIA (Chile) supported the Mexican suggestion.

Mr. OLIVENCIA (Spain) said that his delegation was aware of the problem raised by the Mexican delegation and felt that the matter might be referred to the Working Group.

Article 1 (3)

Mr. POLLARD (Guyana) proposed the insertion of a subparagraph after article 1 (3) (a) which would read: "'contract of sale of goods' means a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a money consideration called the price" (A/CN.9/V/CRP.6). He noted that the term "the international sale of goods" was used throughout the draft Convention. There were numerous contracts similar to the contract of sale of goods and his delegation therefore felt that it would be useful if the Convention contained a clear definition of the term.

Mr. MICHIDA (Japan) recalled that, in formulating article 4 (1) of the draft Convention, the Working Group, of which his delegation was a member, had attempted to distinguish the contract of sale from other forms of contract. While the text of article 4 (1) was perhaps neither clear nor adequate, the definition of a contract of sale of goods was an extremely difficult task. The Working Group had spent considerable time attempting to work out a suitable definition and had finally adopted the formula in article 4 (1). His delegation wished to urge the Commission not to try to evolve a new definition with undue haste.

Mr. LOEWE (Austria) said that his delegation had serious doubts as to the usefulness or feasibility of introducing a definition of the contract of sale of goods into the Convention. Such a definition had not been introduced into the Uniform Law of 1964 or its revision by the Working Group. In the opinion of his delegation, it would be most inappropriate to insert such a definition in a Convention designed to promote uniformity in the law of sales.

The CHAIRMAN suggested that the Working Group should examine the Guyanese proposal.

Mr. NESTOR (Romania) requested clarifications with regard to article 1 (3) (a), which contained definitions of the terms "buyer" and "seller". He inquired what difference there might be, from the standpoint of the application of the Convention, between persons who "buy or sell" and persons who "agree to buy or sell". Furthermore, he had some doubts regarding the phrase "successors to and assigns of".

Mr. OLIVENCIA (Spain) felt that the text of article 1 (3) (a) was somewhat confused. Perhaps a formulation such as "persons who buy or sell, or undertake to buy or sell" would improve the definition.

Mr. CHAFIK (Egypt) supported the Norwegian proposal (A/CN.9/R.9) to incorporate a definition of breach of contract into the Convention between article 1 (3) (e) and (f). However, he did not consider the Norwegian proposal to be well formulated, and would have preferred a form of words such as "'breach of contract' means failure to execute an obligation by a party or performance which is not in conformity with the contract".

Mr. JAKUBOWSKI (Poland) agreed that it would be desirable to define breach of contract; while it was well understood in practice, it was nevertheless a new concept in civil law countries. He felt that the Egyptian formula would be suitable.

Mr. NESTOR (Romania) felt that the Working Group should try to find a better formulation for article 1 (3) (d) and (e). Article 1 (3) (d) defined a creditor as a party seeking to exercise a claim and gave the impression that the status of a creditor was dependent on his intention of exercising his right; yet even if he did not wish to exercise his right, he was still a creditor. The same considerations applied to the definition of a debtor in the following subparagraph.

Mr. JAKUBOWSKI (Poland) felt that article 1 (3) (g) should encompass organizations and forms of association with no specific legal personality, such as the *Handelsgesellschaft* in German-speaking countries and the partnership in common law countries.

Mr. LOEWE (Austria) felt that the text of article 1 (3) (g) was perfectly satisfactory since it referred to "company, or other legal entity".

Mr. COLOMBRES (Argentina) felt that the subparagraph needed further elaboration. For example, in Argentina, there were *sociedades en participación* and *sociedades irregulares* which would not be covered by article 1 (3) (g).

Mr. JAKUBOWSKI (Poland) noted that the problem of organizations or forms of association with no legal entity existed in common law countries and asked representatives from those countries to state whether they considered that the definition in article 1 (3) (g) covered partnerships.

Mr. MICHIDA (Japan) felt that the present text was satisfactory and saw no reason to examine the matter further.

Mr. CHAFIK (Egypt) agreed that there was no need to refer the matter to the Working Group for further consideration.

Mr. GUEST (United Kingdom) felt that the words "legal entity" could be construed to cover the case of partnership under common law.

Mr. ELLICOTT (Australia) felt that it should be made clear that partnership was encompassed in the definition of "persons".

Mr. COLOMBRES (Argentina) felt that article 1 (3) (g) might well be deleted, since the definition contained therein might give rise to considerable problems.

Mr. OGUNDERE (Nigeria) proposed the insertion of the phrase "sole or aggregate" at the end of article 1 (3) (g).

Mr. GUEIROS (Brazil) supported the Argentine proposal to delete article 1 (3) (g). Alternatively, the word "legal" before "entity" might be deleted.

Mr. ROGNLIEN (Norway) said one of the aims of the definition in article 1 (3) (g) was to make it clear that the "buyer and seller" referred to in article 1 (1) were not only physical persons, but also "legal entities" or "personnes morales". He agreed with the representative of the United Kingdom that partnerships could be covered by the existing definition.

Mr. JAKUBOWSKI (Poland) pointed out that it was only under the French legal system that partnerships, or their equivalent "sociétés en participation" and "Offentliche Gesellschaft", were treated as full legal entities. The draft Convention had certain defects regarding the categories of persons it embraced. Those defects could be eliminated either by deleting article 1 (3) (g), which contained the definition of the persons concerned, or by giving equal treatment within that definition to bodies such as partnerships.

Mr. COLOMBRES (Argentina) thought that the issue, being purely technical, should be referred to the Working Group to avoid wasting time. It was extremely difficult to specify the equivalent in a given régime of an entity under another régime. He would in any case prefer the deletion of the text in question.

Mr. GUEIROS (Brazil) said that he agreed entirely with the Argentine representative. He also pointed out that the Napoleonic Code made no distinction between a juridical and a de facto person. Brazilian law followed the German system in that context. It would be wiser to delete article 1 (3) (g) or, alternatively, to leave it to the courts to decide what was meant by a legal entity. He could not accept the text as it stood.

The CHAIRMAN said that the matter would accordingly be referred to the Working Group.

Mr. NESTOR (Romania) noted that, according to article 1 (3) (h), "writing" included telegram and telex. He wondered if teletype was considered to be the same as telex.

The CHAIRMAN said that the question would be referred to the Working Group.