

BILL OF LADING TERMS AND CONDITIONS

1. Definition.

"Merchant" includes the shipper, the receiver, the consignor, the consignee, the holder of the Bill of Lading, the owner of the cargo and any person entitled to possession of the cargo.

2. Notification.

Any mention in this Bill of Lading of parties to be notified of the arrival of the cargo is solely for the information of the Carrier and failure to give such notification shall not involve the Carrier in any liability nor relieve the Merchant of any liability hereunder.

3. Liability Under The Contract.

(a) Unless otherwise provided herein, the Hague Rules contained in the International Convention for the Unification of Certain Rules Relating to Bills of Lading, dated Brussels the 25th August 1924 as enacted in the country of shipment shall apply to this contract. When no such enactment is in force in the country of shipment, the corresponding legislation of the country of destination shall apply. In respect of shipments to which there are no such enactments compulsorily applicable, the terms of the Articles I-VIII inclusive of said Convention shall apply.

In trades where the International Brussels Convention 1924 as amended by the Protocol signed at Brussels on 23rd February 1968 ("The Hague-Visby Rules") apply compulsorily, the provisions of the respective legislation shall be considered incorporated in this Bill of Lading.

Where the Hague Rules or part of them or the Hague-Visby Rules apply to carriage under this contract, the applicable rules, or part of them, shall likewise apply to the period before loading and after discharge where the Carrier (or his agent) have custody or control of cargo.

Unless otherwise provided herein, the Carrier shall in no case be responsible for loss or damage to deck cargo and/or live animals. Unless otherwise stated herein, the Protocol signed at Brussels on 21st December 1979 (the SDR Protocol 1979) shall apply.

(b) The Carrier shall under no circumstances be liable for consequential losses.

If the Carrier is held liable in respect of delay consequential loss or damage other than loss of or damage to the cargo, the liability of the Carrier shall be limited to the freight for the carriage covered by this Bill of Lading, or to the limitation amount as determined in sub-clause 3(a), whichever is lesser.

(c) The aggregate liability of the Carrier and/or any of his servants, agents, or independent contractors under this Contract shall, in no circumstances, exceed the limits of liability for the total loss of the cargo under sub-clause 3(a) or, if applicable, Additional Clauses.

4. Law and Jurisdiction.

Both the Carrier and the Merchant expressly agree that should any dispute arise concerning the shipment made under this Bill of Lading, exclusive original jurisdiction shall lie in the United States Federal Court in Palm Beach County, Florida. However, upon receipt of Service of Process issued out of the Federal Court in Palm Beach County, the party defending any dispute may, within 30 days of receipt of said Service, elect to proceed instead in arbitration in the city of Palm Beach Gardens, Florida under the rules of the Society of Maritime Arbitrators. Such election shall then be binding upon both parties, and each party shall name one arbitrator, with the two arbitrators so chosen nominating an umpire.

5. Substitution of Vessel, Transshipment and Forwarding.

Whether expressly arranged beforehand or otherwise, the Carrier shall be at liberty to carry the goods to their port of destination by the said or other vessel or vessels either belonging to the Carrier or others, or by other means of transport, proceeding either directly or indirectly to such port and to carry the goods or part of them beyond their port of destination, and to transship, land and store the goods either on shore or afloat and reship and forward the same at Carrier's expense but at Merchant's risk. When the ultimate destination at which the Carrier may have engaged to deliver the goods is other than the vessel's port of discharge, the Carrier acts as Forwarding Agent only. The responsibility of the Carrier shall be limited to the part of the transport performed by him on vessels under his management and no claim will be acknowledged by the Carrier for damage or loss arising during any other part of the transport even though the freight for the whole transport has been collected by him.

6. Package Limitation Clause.

Section 4.(5) of U.S. Carriage of Goods by Sea Act-1936: Neither the carrier nor the ship shall in any event be or become liable for any loss or damage to or in connection with the transportation of goods in an amount exceeding \$500 per package lawful money of the United States, or in case of goods not shipped in packages, per customary freight unit, or the equivalent of that sum in other currency, unless the nature and value of such goods have been declared by the shipper before shipment as inserted in the Bill of Lading and additional freight has been paid as required. This declaration if embodied in the Bill of Lading, shall be prime fact evidence, but shall not be conclusive on the carrier.

7. Lighterage.

Any lighterage in or off ports of loading or ports of discharge to be for the risk and account of the Merchant.

8. The Scope of Carriage.

The intended carriage shall not be limited to the direct route, but shall be deemed to include any proceeding or returning to or stopping or slowing down at or off any ports or places for any reasonable purpose connected with the carriage including bunkering, loading, discharging, or other cargo operations and maintenance of vessel and crew. The Carrier shall have the liberty of restowing the cargo, and loading and discharging other cargoes for the account of other Merchants for ports enroute or not enroute to ports enroute or not enroute.

9. Liability for Pre- and On-Carriage.

When the Carrier arranges pre-carriage of the cargo from a place other than the vessel's port of loading, or on-carriage of the cargo to a place other than the vessel's port of discharge, the Carrier shall contract as the Merchant's Agent only and the Carrier shall not be liable for any loss or damage arising during any part of the carriage other than between the port of loading and the port of discharge even though the freight for the whole carriage has been collected by him.

10. Loading and Discharging.

(a) Loading and discharging of the cargo shall be arranged by the Carrier or his Agent unless otherwise agreed.

(b) The Merchant shall, at his risk and expense, handle and/or store the cargo before loading and after discharging.

(c) Loading and discharging may commence without prior notice.

(d) The Merchant or his Agent shall tender the cargo when the vessel is ready to load and as fast as the vessel can receive, including, if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port. If the Merchant or his Agent fails to tender the cargo when the vessel is ready to load or fails to load as fast as the vessel can

receive the cargo, the Carrier shall be relieved of any obligation to load such cargo, the vessel shall be entitled to leave the port without further notice and the Merchant shall be liable to the Carrier for deadfreight, where the Merchant shall be nonetheless liable for to pay freight for such non-tendered cargo, at the rate agreed in the Booking Note, and the Carrier shall have a lien on the loaded portion of the shipment for such deadfreight. In addition, the Merchant shall be liable to pay the Carrier detention at the rate stated in the Booking Note for the period of the delay.

(e) The Merchant or his Agent shall take delivery of the cargo as fast as the vessel can discharge including, if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port. If the Merchant or his Agent fails to take delivery of the cargo, the Carrier's discharging of the cargo shall be deemed fulfillment of the Contract of Carriage. Should the cargo not be applied for within a reasonable time, the Carrier may sell the same privately or by auction. If the Merchant or his Agent fails to take delivery of the cargo as fast as the vessel can discharge, the Merchant shall be liable to the Carrier for any overtime charges, losses, costs, and expenses incurred by the Carrier and in addition the Merchant shall be liable to pay the Carrier detention at the rate stated in the Booking Note for the period of any delay.

All delivery takes place at the end of the vessel's hook unless otherwise specified.

(f) The Merchant shall be responsible for providing all necessary equipment for loading and discharging, including spreader bars, lifting frames, slings, and saddles.

(g) The securing of the cargo to be accomplished to the Master's satisfaction. The time and expense of additional cargo securing required by the Merchant or Merchant's representative to be for the Merchant's account.

(h) The Merchant shall accept his reasonable proportion of unidentified loose cargo.

(i) Cargo contracted to be carried on terms free in/liner out or liner in/free out, shall be loaded and/or discharged at the costs, expense, risk, and responsibility of the Merchant, who shall be liable to the Carrier for the actions, omissions and negligence of the stevedores, whom the Merchant shall appoint and pay for. Laytime as per Booking Note. Demurrage shall be paid at the rate stated in the Booking Note for any delay.

(j) Notice of Readiness may be tendered on arrival, at any time, day or night, all weekend days and whether in port or not, whether in berth or not, whether Customs cleared or not, whether in free pratique or not.

11. Freight, Charges, Costs, Expenses, Duties, Taxes and Fines.

(a) Freight, whether paid or not, shall be considered as fully earned and due upon loading and non-returnable in any event. Unless otherwise specified, freight and/or charges under this Contract are payable by the Merchant to the Carrier on demand. Interest at Libor (or its successor) plus 2 percent shall run from fourteen days after the date when freight and charges are payable.

(b) The Merchant shall be liable for all costs and expenses of fumigation, gathering and sorting loose cargo and weighing on board, repairing damage to and replacing of packing due to excepted causes, and any extra handling of the cargo for any of the aforementioned reasons. The Merchant shall be specifically liable for all costs, expenses, losses and liabilities incurred due to non-approved or contaminated or infested dunnage supplied by Merchant including all costs of transporting the cargo to another port, if required.

(c) The Merchant shall be liable for any dues, duties, taxes and charges that under any denomination may be levied, *inter alia*, on the basis of freight, weight or measurement of cargo or tonnage of the vessel.

(d) The Merchant shall be liable for all fines, penalties, costs, expenses and/or losses that the Carrier, vessel or cargo may incur through non-observance of Customs House and/or import or export regulations.

(e) The Carrier is entitled in case of incorrect declaration of contents, weights, measurements, or value of the cargo to claim double the amount of freight that would have been due if such declaration been correctly given. For the purpose of ascertaining the actual facts, the Carrier shall have the right to obtain from the Merchant the original invoice and to have the cargo inspected and its contents, weight, measurement or value verified.

(f) Any additional insurance premium charged by vessel's underwriters for breaching trading limitations (IWL) or war risk exclusions to be for Merchant's account.

12. Lien.

The Carrier shall have a lien on all cargo for any amount due (including freight, detention, demurrage, and other costs or expenses) under this Contract and other Contracts between the Merchant and the Carrier and costs of recovering the same (including attorney's fees) and shall be entitled to sell the cargo privately or by auction to satisfy any claims or liens at the specified discharge port or other port.

13. General Average and Salvage.

General Average to be adjusted at any port or place at Carrier's option and be settled according to the York-Antwerp Rules 1974 as periodically amended, except Rule XXII thereof. In the event of accident, danger, damage or disaster before or after commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which or for the consequence of which the Carrier is not responsible by statute, contract or otherwise, the Merchant shall contribute with the Carrier in General Average to the payment of any sacrifice, losses or expenses of a General Average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the goods. If a salvaging vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the salvaging vessel or vessels belonged to strangers.

14. Both-to-Blame Collision Clause. (This clause to remain in effect even if unenforceable in the Courts of the United States of America.)

If the vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, negligence or default of the Masters, Mariner Pilot or the servants of the Carrier in the navigation or in the management of the vessel, the merchant will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her Owner in so far as such loss or liability represents loss of or damage to or any claim whatsoever of the owner of the said goods paid or payable by the other or non-carrying vessel or her Owner as part of his claim against the carrying vessel or Carrier. The foregoing provisions shall also apply where the Owner, operator or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect of a collision or contact.

15. Government directions, War, Epidemics, Ice, Strike, etc.

(a) The Master and the Carrier shall have liberty to comply with any order or directions or recommendations in connection with he transport under this contract given by any Government or Authority, or anybody

acting or purporting to act on behalf of such Government or Authority, or having under the terms of the insurance on the vessel the right to give such orders or directions or recommendations.

(b) Should it appear that the performance of the transport would expose the vessel or any goods onboard to risk of seizure or damage or delay, resulting from war, warlike operations, blockade, riots, civil commotions or piracy, or any person onboard to the risk of loss of life or freedom, or that any such risk has increased, the Master may discharge the cargo at port of loading or any other safe and convenient port.

(c) Should it appear that epidemics, quarantine, ice – labor troubles, labor obstructions, strikes, lock-outs, any of which onboard or on shore – difficulties in loading or discharging would prevent the vessel from leaving the port of loading or reaching or entering the port of discharge or there discharging in the usual manner and leaving again, all of which safely and without delay, the master may discharge the cargo at port of loading or any other safe and convenient port.

(d) The discharge under the provisions of this clause of any cargo for which a Bill of Lading has been issued shall be deemed due fulfillment of the contract. If in connection with the exercise of any liberty under this clause any extra expenses are incurred, they shall be paid by the Merchant in addition to the freight, together with return freight if any and a reasonable compensation for any extra services rendered to the goods.

(e) If any situation referred to in this clause may be anticipated, or if for any such reason the vessel cannot safely and without delay reach or enter the loading port or must undergo repairs, the Carrier may cancel the contract before the Bill of Lading is issued. The Merchant shall be informed if possible.

16. Defences and Limits of Liability for the Carrier, Servants, Agents, and Managers.

(a) The Agent is entitled to subcontract the whole or any part of its duties under this contract.

(b) It is hereby expressly agreed that no Servant, Agent, or Manager of the Carrier (which for the purpose of this Clause includes every independent contractor from time to time employed by the Carrier) shall in any circumstances whatsoever be under any liability whatsoever to the Merchant under this Contract of Carriage for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on his part while acting in the course of or in connection with his employment.

(c) Without prejudice to the generality of the foregoing provisions in this Clause, every exemption from liability, limitation, condition and liberty herein contained and every right, defence and immunity of whatsoever nature applicable to the Carrier or to which the Carrier is entitled, shall also be available and shall extend to protect every such servant, agent or Manager of the Carrier acting as aforesaid.

(d) The Merchant undertakes that no claim shall be made against any Servant, Agent, or Manager of the Carrier and, if any claim should nevertheless be made, to indemnify the Carrier against all consequences thereof.

(e) For the purpose of all the foregoing provisions of this Clause, the Carrier is or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of all persons who might be his servants or agents from time to time and all such persons shall to this extent be or be deemed to be parties to this Contract of Carriage.

17. Optional Stowage. Utilization.

(a) Goods may be stowed by the Carrier as received, or, at Carrier's option, by means of containers, or similar articles of transport used to consolidate goods.

(b) Containers, trailers and transportable tanks, whether stowed by the Carrier or received by him in a stowed condition from the Merchant, may be carried on or under deck without notice to the Merchant.

18. Packaging.

The Merchant is responsible for providing cargo that is properly packed and internally secured for ocean transportation, and that all centres of gravity are marked, proper skids are attached and, if required, all cradles used for securing the cargo are fit for the purpose and the cargo is properly secured within the cradles. The Merchant shall fit the cargo and/or cradles as appropriate with suitable lifting lugs and sufficient lashing points for the cargo and/or cradle to be properly secured. If cargo is not flat at the bottom, the Merchant is to provide a detailed footprint sketch prior to loading. Any special dunnaging is to be for the Merchant's account.

19. Shipper-Packed Containers, Trailers, Transportable Tanks, Flats, Pallets and Similar Articles.

The Carrier shall not be responsible for loss of or damage to contents of a container whatsoever when the container has not been filled, packed or stowed by the Carrier. The Merchant shall cover any loss, damage or expense incurred by the Carrier when caused by negligent filling, packing or stowing of the container, or the contents being unsuitable for carriage in a container. The same applies with respect of trailers, tanks, flats, pallets and other similar articles of transport used to consolidate goods.

SPECIAL CLAUSES

A. Detention.

In addition to Clauses 10(d) and (e), detention shall also be paid, at the same rate, for any delay in waiting for berth at or off the port, including time lost due to swell or tide. Each Merchant shall be liable towards the Carrier for a proportionate part of the total detention due based upon its total payable freight on the cargo.

No Merchant shall be liable for detention arising only in connection with cargo belonging to other Merchant.

B. U.S. Security Clause

If the vessel calls in the United States, including any U.S. territory, the following provisions shall apply with respect to any applicable regulations or measures:

Unless caused by the Carrier's negligence, any delay suffered or time lost in obtaining the entry and exit clearances from the relevant U.S. authorities shall count as time of detention.

Any expenses or additional fees relating to the cargo, even if levied against the vessel, that arise out of security measures imposed at the loading and/or discharging port shall be for the Merchants' account.