

OCEAN TERMS AND CONDITIONS

All property to be transported shall be held, carried and delivered subject to the provisions of the Carrier's applicable form of Bill of Lading as follows:

TERMS AND CONDITIONS

1. DEFINITIONS

"Carrier" means the Company stated on the front of this Bill of Lading as being the Carrier and on whose behalf this Bill of Lading has been signed.

"Merchant" includes the shipper, the consignee, the receiver of the Goods, the holder of this Bill of Lading, any person owning or entitled to possession of the Goods or this Bill of Lading, any person having a present or future interest in the Goods or any person acting on behalf of any of the above mentioned persons. "Goods" includes the cargo supplied by Merchant and includes any Container not supplied by or on behalf of Carrier. "Container" includes any container trailer, transportable tank, lift van, flat pallet or any similar article of transport used to consolidate goods. "Carriage" means the whole of the operations and services undertaken or performed by or on behalf of Carrier in respect of the Goods. "Hague Rules" means the provisions of the International Convention for Unification of Certain Rules Relating to Bills of Lading signed at Brussels on 25th August 1924. "Hague-Visby Rules" means the Hague Rules as amended by the protocol signed at Brussels on 23rd February 1968. "COGSA" means the Carriage of Goods by Sea Act of the United States of America approved on 16th April 1936.

"Charges" includes freight and all expenses and money obligations incurred and payable by Merchant. "Shipping Unit" includes the term "unit" as used in the Hague Rules and Hague-Visby Rules. "Person" includes an individual, a partnership, a body corporate or other entity. "Stuffed" includes filled, consolidated, packed, loaded or secured.

2. CARRIER'S TARIFF

The provisions of Carrier's applicable Tariff, if any, are incorporated herein. Copies of such provisions are obtainable from Carrier or his agents upon request or where applicable, from a government body with whom the Tariff has been filed. In the case of inconsistency between this Bill of Lading and the applicable Tariff, this Bill of Lading shall prevail.

3. WARRANTY

Merchant warrants that in agreeing to the terms hereof he is, or is the agent of and has the authority of, the person owning or entitled to the possession of the Goods or any person who has a present or future interest in the Goods.

4. CERTAIN RIGHTS AND IMMUNITIES FOR CARRIER AND OTHER PERSONS

(1) Carrier shall be entitled to sub-contract on any terms the whole or any part of the Carriage.

(2) Merchant undertakes that no claim or allegation shall be made against any Person or vessel whatsoever, other than Carrier, including but not limited to Carrier's servants or agents, any independent contractor and his servants or agents, and all others by whom the whole or any Part of the Carriage, whether directly or indirectly is procured, performed or undertaken, which imposes or attempts to impose upon any such Person or vessel any liability whatsoever in connection with the Goods or the Carriage and if any claim or allegation should nevertheless be made to defend, indemnify and hold harmless Carrier against all consequences thereof. Without prejudice to the foregoing every such Person shall have the benefit of all provisions herein benefiting the carrier as if such provisions were expressly for his benefit and in entering into this contract Carrier, to the extent of these provisions, does so not only on its own behalf but also as agent or trustee for such Persons and vessels and such Persons and vessels shall to this extent be or be deemed to be parties to this contract.

(3) Merchant shall defend, indemnify and hold harmless Carrier against any claim or liability and any expense arising therefrom arising from the Carriage of the Goods insofar as such claim or liability exceeds Carrier's liability under this Bill of Lading.

(4) The defenses and limits of liability provided for in this Bill of Lading shall apply in any action against Carrier whether the action be found in contract or in tort.

5. CARRIER'S RESPONSIBILITY

(1) Clause PARAMOUNT
Subject to clause 12 below.

(A) If any portion of the Carriage is to or from the United States of America, COSGA shall apply and shall govern before loading and after discharge and during the entire time the Goods are in the custody of Carrier:

(B) In any trade that does not involve any carriage to or from the United States of America, the Hague Rules (excluding Article 9) shall apply, except where the Hague-Visby Rules are compulsorily applicable at the port of loading in which case the Hague-Visby Rules shall apply.

(C) Carrier shall be entitled to (and nothing in this Bill of Lading shall operate to deprive or limit such entitlement) full benefit of, and rights to all limitations of and exclusions from liability and all rights conferred or authorized by any applicable law, statute or regulation of any country (Including, but not limited to, where applicable, any provisions or sections 4281 to 4287, inclusive of the revised statutes of the United States of America and amendments thereto and where applicable any provisions of the laws of the United States of America) and without prejudice to the generality of the foregoing also any law, statute or regulation available to the owner of the vessel(s) on which the Goods are carried.

(D) Save as is otherwise provided in the Bill of Lading, Carrier shall be liable for loss of or damage to the Goods occurring from the time that the Goods are taken into his charge until the time of delivery to the extent set out below.

(2) GENERAL PROVISIONS

(A) Delay, Consequential Loss
Save as otherwise provided herein Carrier shall in no circumstances be liable for direct, indirect or consequential loss or damage caused by delay or any other cause whatsoever and howsoever caused. Without prejudice to the foregoing if Carrier is found liable for delay, liability shall be limited to the freight applicable to the relevant stage of the transport.

(B) Package, Customary Freight Unit or Shipping Unit Limitation

(i) Where COGSA applies to this bill of lading (whether lay its own force or by an agreement). Carrier shall not be liable for loss or damage 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, unless the nature, and value of the Goods higher than this amount has been declared in writing by

Merchant before Carrier's receipt of the Goods and inserted in this Bill of Lading and any extra freight has been paid as required.

(ii) Where COGSA does not apply, but where the Hague Rules or any legislation making such rules compulsorily applicable to this Bill of Lading apply, Carrier shall not, unless a declared value has been noted in accordance with (C) below, be or become liable for any loss or damage to or in connection with the Goods in an amount per package or Shipping Unit in excess of the package or Shipping Unit limitation as laid down by such Rules or legislation. If no limitation amount is applicable under such Rules or legislation, the limitation shall be US\$500 per package or Shipping Unit.

(iii) Where neither COGSA, nor the Hague Rules, nor any legislation applying such Rules, nor the Hague-Visby Rules is compulsorily applicable, Carriers liability shall not exceed US\$500 per package or Shipping Unit or US\$2.00 per kilo, of the gross weight of the goods lost, damaged or in respect of which the claim arises or the value of the such goods, whichever is less,

(C) Ad Valorem: Declared Value of Package or Shipping Unit Carrier's liability may be increased to a higher value by a declaration in writing of the value of the Goods by the Shipper before delivery to Carrier of the Goods for shipment, such higher value being inserted on the front of this Bill of Lading in the space provided and, if required by Carrier, extra freight paid. In such case if the actual value of the goods shall exceed such declared value, the value shall nevertheless be deemed to be the declared value and Carrier's liability if any, shall not exceed the declared value and any partial loss or damage shall be adjusted pro rata on the basis of such declared value.

(D) The value of the Goods shall be determined according to the commodity exchange price at the place and time of delivery to Merchant or at the place and time when they should have been so delivered or if there is no such price according to the current market price by reference to the normal value of goods of the same kind and quality, at such place and time.

(E) Definition of Package or Shipping Unit
Where a Container is used to consolidate goods and such Container is stuffed by Carrier, the number of packages or Shipping Units stated on the face of this Bill of Lading in the box provided, shall be

deemed the number of packages or Shipping Units for the purpose of any limit of liability per package or Shipping Unit provided in any international convention or national law relating to title carriage of goods by sea. Except as aforesaid the Container shall be considered the package or Shipping Unit. The words "Shipping Unit" shall mean each physical unit or piece of cargo not shipped in a package including articles or things of any description whatsoever, except Goods shipped in bulk and irrespective of the weight or measurement unit employed in calculating freight charges. As to goods shipped in bulk the limitation applicable thereto shall be the limitation provided in such convention or law which may be applicable and in no event shall anything herein be construed to be a waiver of limitation as to Goods shipped in bulk.

(3) Iron, Steel, Metal, Wood Products, Baled Wood Products or Cotton.

The term "apparent good order and condition" when used in this bill of lading with respect to iron, steel, metal or wood products does not mean that such goods, when received, were free of visible rust or moisture staining, chafing and/or breakage, or when used with reference to baled wood products or baled cotton does not mean that the covers thereon were not torn or that the bands thereon were free of visible rust or moisture. If the shipper so requests, a substitute bill of lading will be issued omitting the above definition and setting forth any notations as to rust, moisture or tears which may appear in receiving or transporting documents.

(4) Notice of Loss or Damage

Carrier shall be deemed prima facie to have delivered the Goods as described in this Bill of Lading unless notice of loss of or damage to, the Goods indicating the general nature of such loss or damage, shall have been given in writing to Carrier or its representative at the place of delivery before or at the time of removal of the Goods into the custody of the Person entitled to delivery thereof under this Bill of Lading or, if the loss or damage is not apparent, within three consecutive days thereafter.

(5) Time-bar

Carrier shall be discharged of all liability unless suit is brought in the proper forum and written notice thereof received by Carrier within nine months after delivery of the Goods or the day when the Goods should have been delivered. In the event that such time period shall be found contrary to any

convention or law compulsorily applicable, the period prescribed by such convention or law shall then apply but in that circumstance only.

6. MERCHANT'S RESPONSIBILITY

(1) The description and particulars of the Goods set out on the face hereof are furnished by Merchant, and Merchant warrants to Carrier that the description and particulars including, but not limited to, of weight, content, measure, quantity, quality, condition, marks, numbers and value are correct.

(2) Merchant shall comply with all applicable laws, regulations and requirements of customs, port and other authorities and shall bear and pay all duties, taxes, fines, imposts, expenses and losses incurred or suffered by reason thereof or by reason of any illegal, incorrect or insufficient marking, numbering or addressing of the Goods.

(3) Merchant undertakes that the Goods are packed in a manner adequate to withstand the ordinary risks or carriage having regard to their nature and in compliance with all laws, regulations and requirements which may be applicable.

(4) No Goods which are or may become dangerous, inflammable or damaging or which are or may become liable to damage any property or person whatsoever shall be tendered to Carrier for Carriage without Carrier's express consent in writing and without the Container or other Covering in which the Goods are to be transported and the Goods being distinctly marked on the outside so as to indicate the nature and character of any such articles and so as to comply with all applicable laws, regulations and requirements. If any such articles are delivered to Carrier without such written consent and marking or if in the opinion of Carrier the articles are or are liable to become of a dangerous, inflammable or damaging nature, the same may at any time be destroyed, disposed of, abandoned, or rendered harmless without compensation to Merchant and without prejudice to Carrier's right to Charges.

(5) Merchant shall be liable for the loss, damage, contamination, soiling, detention or demurrage before, during and after the Carriage of property (including, but not limited to containers) of Carrier or any Person or vessel (other than Merchant) above caused by Merchant or any person acting on his behalf or for which Merchant is otherwise responsible.

(6) Merchant shall defend, indemnify and hold harmless Carrier against any loss, damage, claim,

liability or expense whatsoever arising from any breach of the provisions of this clause 6(6) or from any cause in connection with the Goods for which Carrier is not responsible.

7. CONTAINERS

(1) Goods may be Stuffed by Carrier in or on Containers and Goods may be Stuffed with other Goods.

(2) The terms of this Bill of Lading shall govern the responsibility of Carrier in connection with or arising out of the supply of a Container to Merchant, whether supplied before or after the Goods are received by Carrier or delivered to Merchant.

(3) If a Container has been Stuffed by or on behalf of Merchant

(A) Carrier shall not be liable for loss of or damage to the Goods

(i) caused by the manner in which the Container has been stuffed:

(ii) caused by the unsuitability of the Goods for carriage in containers;

(iii) caused by the unsuitability or defective condition of the Container

provided that where the Container has been supplied by or on behalf of Carrier, this paragraph (iii) shall only apply if the unsuitability or defective condition arose

(a) without any want of due diligence on the part of Carrier; or

(b) would have been apparent upon reasonable inspection by Merchant at or prior to the time when the Container was Stuffed;

(iv) if the Container is not sealed at the commencement of the Carriage except where Carrier has agreed to seal the Container .

(B) Merchant shall defend, indemnify and hold harmless Carrier against any loss, damage, claim, liability or expense whatsoever arising from one or more of the matters covered by (A) above except for (A) (iii) above.

(4) Where Carrier is instructed to provide a Container in the absence of a written request to the contrary, Carrier is not under an obligation to provide a Container of any particular type or quality.

8. TEMPERATURE CONTROLLED CARGO

(1) Merchant undertakes not to tender for transportation any Goods which require temperature control without previously giving written notice (and filling in the box on the front of this Bill of Lading if this Bill of Lading has been prepared by

Merchant or a person acting on his behalf) of their nature and particular temperature range to be maintained and in the case of a temperature controlled Container Stuffed by or on behalf of merchant, further undertakes that the Container has been properly precooled, that the Goods have been properly Stuffed in the Container and that its thermostatic controls have been properly set by Merchant before receipt of the Goods by Carrier. If the above requirements are not complied with Carrier shall not be liable for any loss of or damage to the Goods caused by such non-compliance.

(2) Carrier shall not be liable for any loss of or damage to the Goods arising from defects, derangement, breakdown, stoppage of the temperature controlling machinery, plant, insulation or any apparatus of the Container, provided that Carrier shall before or at the beginning of Carriage exercise due diligence to maintain the refrigerated Container in an efficient state.

9. INSPECTION OF GOODS

Carrier or any person authorized by Carrier shall be entitled, but under no obligation, to open any Container or package at any time and to inspect the Goods.

10. MATTERS AFFECTING PERFORMANCE

(1) If at any time the Carriage is or is likely to be affected by any hindrance, risk, delay, difficulty or disadvantage of any kind (including the condition of the Goods) whensoever and howsoever arising (whether or not Carriage has commenced) Carrier may:

(A) without notice to Merchant abandon carriage of the Goods and where reasonably possible place the Goods or any part of them at Merchant's disposal at any place which Carrier may deem safe and convenient, whereupon the responsibility of Carrier in respect to such Goods shall cease.

(B) without prejudice to Carrier's right subsequently to abandon carriage under (A) above continue the Carriage. In any event, Carrier shall be entitled to full charges on Goods received for Carriage and Merchant shall pay any additional costs resulting from the above-mentioned circumstances.

(2) The liability of Carrier in respect of the Goods shall cease on the delivery or other disposition of the Goods in accordance with the orders or recommendations given by any government or authority or any Person acting or purporting to act as or on behalf of such government or authority.

11. METHODS AND ROUTE OF

TRANSPORTATION

(1) Carrier may at any time and without notice to Merchant use any means of transport or storage whatsoever; load or carry the Goods on any vessel whether named on the front hereof or not, transfer the Goods from one conveyance to another including transshipping or carrying the same on another vessel than that named on the front hereof or by any other means of transport whatsoever; at any place unpack and remove Goods which have been Stuffed in or on a Container and forward the same in any manner whatsoever; proceed at any speed and by any route in Carrier's discretion (whether or not the nearest or most direct or customary or advertised route) and proceed to or stay at any place whatsoever once or more often and in any order; load or unload the Goods from any conveyance at any place whatsoever once or more often and in any order; load or unload the Goods from any conveyance at any place (whether or not the place is a port named on the front hereof as the intended Port of Loading or intended Port of Discharge); comply with any orders or recommendations given by any government of authority or any person or body acting or purporting to act as or on behalf of such government or authority or having under the terms of the insurance on the conveyance employed by Carrier the right to give orders or directions; permit the vessel to proceed with or without pilots, to tow or be towed or to be dry-docked; permit the vessel to carry livestock, Goods of all kinds, dangerous or otherwise, contraband, explosives, munitions or warlike stores and sail armed or unarmed.

(2) The liberties set out in (1) above may be invoked by Carrier for any purposes whatsoever whether or not connected with carriage of the Goods. Anything done in accordance with (1) above or any delay arising therefrom shall be deemed to be within the contractual carriage and shall not be a deviation of whatsoever nature or degree.

12. CONTAINERS ON DECK AND DECK CARGO

(1) Carrier has the right to carry Goods in Container(s) under deck or on deck without notice to Merchant.

(2) When Goods in Containers are carried on deck, Carrier shall not be required to specially note, mark or stamp any statement of 'on deck stowage' on the face hereof, any custom to the contrary notwithstanding. The Goods so carried shall be

subject to the applicable COGSA, the Hague Rules or the Hague-Visby Rules as otherwise provided herein, and the stowage of such Goods shall constitute under deck stowage for all purposes including general average.

(3) Carrier shall not be liable in any capacity whatsoever for any non-delivery, misdelivery, and delay or loss of or damage to Goods which are carried on deck and specially stated herein to be so carried, whether or not caused by Carrier's negligence or the Vessel's unseaworthiness.

13. DELIVERY OF GOODS

If delivery of the Goods or any part thereof is not taken by Merchant at the time and place when and where Carrier is entitled to call upon Merchant to take delivery thereof, Carrier shall be entitled without notice to remove from a Container the Goods or that part thereof as is Stuffed in or on a Container and to store the Goods or any part thereof ashore, afloat, in the open or under cover at the sole risk and expense of Merchant. Such storage shall constitute due delivery hereunder and thereupon the liability of Carrier in respect of the Goods or that part thereof shall cease.

14. BOTH- TO-BLAME COLLISION

If the vessel on which the Goods are carried (the carrying vessel) comes into collision with any other vessel or object (the non-carrying vessel or object) as a result of the negligence of the non-carrying vessel or object or the owner of, charterer of or person responsible for the non-carrying vessel or object, Merchant undertakes to defend, indemnify and hold harmless Carrier against all claims by or liability to (and any expenses arising therefrom) any vessel or Person in respect of any loss of, or damage to, or any claim whatsoever of Merchant paid or payable to Merchant by the non-carrying vessel or object or the owner of, charterer of or Person responsible for the non-carrying vessel or object and set off, recouped or recovered by such vessel, object or person(s) against Carrier, the carrying vessel or her owners or her charters.

15. GENERAL AVERAGE

(1) Carrier may declare General Average which shall be adjustable according to the York/Antwerp Rules of 1974 at any place at the options of Carrier and the Amended Jason Clause as approved by BIMCO is to be considered as incorporated herein, and Merchant shall provide such security as may be required by Carrier in this connection. Any sub-contractor of Carrier may declare General Average adjustable pursuant to such rules, and at a location,

as provided in its bill of lading

(2) Notwithstanding (1) above, Merchant shall defend, indemnify and hold harmless Carrier in respect of any claim (and any expense arising therefrom) of a General Average nature which may be made on Carrier and shall provide such security as may be required by Carrier in this connection.

(3) Carrier shall be under no obligation to take any steps whatsoever to collect security for General Average contributions due to Merchant

16. CHARGES

(1) Charges shall be deemed fully earned on receipt of the Goods by Carrier or any of its agents and shall be paid and non-returnable in any event.

(2) The Charges have been calculated on the basis of particulars furnished by or on behalf of Merchant. Carrier shall be entitled to production of the commercial invoice for the Goods or true copy thereof and to inspect, re-weigh, re-measure and re-value the Goods, and if the particulars are found by Carrier to be incorrect Merchant shall pay Carrier the correct Charges (credit being given for the Charges charged) and the costs incurred by Carrier in establishing the correct particulars

(3) All Charges shall be paid without any set-off, counterclaim, deduction or stay of execution.

17. LIEN

Carrier shall have a lien on goods and any documents relating thereto for all charges and sums whatsoever due and for the costs of recovering the same and Carrier shall have the right to sell the Goods and documents by public auction or private treaty, without notice to Merchant and at Merchant's expense and without any liability towards Merchant.

18. VARIATION OF THE CONTRACT

No servant or agent of Carrier shall have power to waive or vary any of the terms hereof unless such waiver or variation is in writing and is specifically authorized or ratified in writing by a director or officer of Carrier who has the actual authority of Carrier so to waive or vary.

19. PARTIAL INVALIDITY

If any provision in this Bill of Lading is held to be invalid or unenforceable by any court or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision. The validity of the remaining provisions shall not be affected thereby and this Bill of Lading contract shall be carried out as if such invalid or unenforceable provisions were not contained herein.

20. LAWS & JURISDICTION

This contract shall be construed under and governed by the law of the United States of America. At the sole option of Carrier, any suit relating in any way to this contract or the Carriage of the Goods shall be filed in or transferred to the state or federal courts in San Francisco, California, USA, and Merchant hereby consents to jurisdiction and venue in any such court.