

(Part II) Terms & Conditions of Service

These terms and conditions of service constitute a legally binding contract between the "Company" and the "Customer". In the event the Company renders services and issues a document containing Terms and Conditions governing such services, the Terms and Conditions set forth in such other document(s) shall govern those services.

1. Definitions. (a) "Company" shall mean Cargo Maritime, Inc., its subsidiaries, related companies, agents and/or representatives;

(b) "Customer" shall mean the person for which the Company is rendering service, as well as its principals, agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, consignees, etc. It is the responsibility of the Customer to provide notice and copy(s) of these terms and conditions of service to all such agents or representatives;

(c) "Documentation" shall mean all information received directly or indirectly from Customer, whether in paper or electronic form;

(d) "Ocean Transportation Intermediaries" ("OTI") shall include an "ocean freight forwarder" and a "non-vessel operating carrier";

(e) "Third parties" shall include, but not be limited to, the following: "carriers, truckmen, cartmen, lightermen, forwarders, OTIs, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise".

2. Company as agent. The Company acts as the "agent" of the Customer for the purpose of performing duties in connection with the entry and release of goods, post entry services, the securing of export licenses, the filing of export and security documentation on behalf of the Customer and other dealings with Government Agencies, or for arranging for transportation services or other logistics services in any capacity other than as a carrier.

3. Limitation of Actions.

(a) Unless subject to a specific statute or international convention, all claims against the Company for a potential or actual loss, must be made in writing and received by the Company, within 90 days of the event giving rise to claim; the failure to give the Company timely notice shall be a complete defense to any suit or action commenced by Customer.

(b) All suits against Company must be filed and properly served on Company as follows:

(i) For claims arising out of ocean transportation, within one-year from the date of the loss;

(ii) For claims arising out of air transportation, within two-year from the date of the loss;

(iii) For claims arising out of the preparation and/or submission of an import entry(s), within 75 days from the date of liquidation of the entry(s);

(iv) For any and all other claims of any other type, within one year from the date of the loss or damage.

4. No Liability For The Selection or Services of Third Parties and/or Routes. Unless services are performed by persons or firms engaged pursuant to express written instructions from the Customer, Company shall use reasonable care in its selection of third parties, or in selecting the means, route and procedure to be followed in the handling, transportation, clearance and delivery of the shipment; advice by the Company that a particular person or firm has been selected to render services with respect to the goods, shall not be construed to mean that the Company warrants or represents that such person or firm will render such services nor does Company assume responsibility or liability for any actions(s) and/or inaction(s) of such third parties and/or its agents, and shall not be liable for any delay or loss of any kind, which occurs while a shipment is in the custody or control of a third party or the agent of a third party; all claims in connection with the Act of a third party shall be brought solely against such party and/or its agents; in connection with any such claim, the Company shall reasonably cooperate with the Customer, which shall be liable for any charges or costs incurred by the Company.

5. Quotations Not Binding. Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges given by the Company to the Customer are for informational purposes only and are subject to change without notice; no quotation shall be binding upon the Company unless the Company in writing agrees to undertake the handling or transportation of the shipment at a specific rate or amount set forth in the quotation and payment arrangements are agreed to between the Company and the Customer.

6. Reliance On Information Furnished.

(a) Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with U.S. Customs & Border Protection, other Government Agency and/or third parties, and will immediately advise the Company of any errors, discrepancies, incorrect statements, or omissions on any declaration or other submission filed on Customers behalf;

(b) In preparing and submitting customs entries, export declarations, applications, security filings, documentation and/or other required data, the Company relies on the correctness of all documentation, whether in written or electronic format, and all information furnished by Customer; Customer shall use reasonable care to ensure the correctness of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to disclose information or any incorrect, incomplete or false statement by the Customer or its agent, representative or contractor upon which the Company reasonably relied. The Customer agrees that the Customer has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods.

(c) Customer acknowledges that it is required to provide verified weights obtained on calibrated, certified equipment of all cargo that is to be tendered to steamship lines and represents that Company is entitled to rely on the accuracy of such weights and to counter-sign or endorse it as agent of Customer in order to provide the certified weight to the steamship lines. The Customer agrees that it shall indemnify and hold the Company harmless from any and all claims, losses, penalties or other costs resulting from any incorrect or questionable statements of the weight provided by the Customer or its agent or contractor on which the Company relies.

7. Declaring Higher Value To Third Parties. Third parties to whom the goods are entrusted may limit liability for loss or damage; the Company will request excess valuation coverage only upon specific written instructions from the Customer, which must agree to pay any charges therefore; in the absence of written instructions or the refusal of the third party to agree to a higher declared value, at Company's discretion, the goods may be tendered to the third party, subject to the terms of the third party's limitations of liability and/or terms and conditions of service.

8. Insurance. Unless requested to do so in writing and confirmed to Customer in writing, Company is under no obligation to procure insurance on Customer's behalf; in all cases, Customer shall pay all premiums and costs in connection with procuring requested insurance.

9. Disclaimers; Limitation of Liability.

(a) Except as specifically set forth herein, Company makes no express or implied warranties in connection with its services;

(b) In connection with all services performed by the Company, Customer may obtain additional liability coverage, up to the actual or declared value of the shipment or transaction, by requesting such coverage and agreeing to make payment therefor, which request must be confirmed in writing by the Company prior to rendering services for the covered transaction(s).

(c) In the absence of additional coverage under (b) above, the Company's liability shall be limited to the following: (i) where the claim arises from activities other than those relating to customs business, \$50.00 per shipment or transaction, or (ii) where the claim arises from activities relating to "Customs business," \$50.00 per entry or the amount of brokerage fees paid to Company for the entry, whichever is less; (d) In no event shall Company be liable or responsible for consequential, indirect, incidental, statutory or punitive damages, even if it has been put on notice of the possibility of such damages, or for the acts of third parties.

10. Advancing Money. All charges must be paid by Customer in advance unless the Company agrees in writing to extend credit to customer; the granting of credit to a Customer in connection with a particular transaction shall not be considered a waiver of this provision by the Company.

11. Indemnification/Hold Harmless. The Customer agrees to indemnify, defend, and hold the Company harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of customers merchandise and/or any conduct of the Customer, including but not limited to the inaccuracy of entry, export or security data supplied by Customer or its agent or representative, which violates any Federal, State and/or other laws, and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims, penalties, fines and/or expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at its address on file with the Company.

12. C.O.D. or Cash Collect Shipments. Company shall use reasonable care regarding written instructions relating to "Cash/Collect on Deliver (C.O.D.)" shipments, bank drafts, cashier's and/or certified checks, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies but shall not have liability if the bank or consignee refuses to pay for the shipment.

13. Costs of Collection. In any dispute involving monies owed to Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 18% per annum or the highest rate allowed by law, whichever is less unless a lower amount is agreed to by Company.

14. General Lien and Right To Sell Customer's Property.

(a) Company shall have a continuing lien on any and all property and documents relating thereto of Customer coming into Company's actual or constructive possession, custody or control or enroute, which lien shall survive delivery, for all charges, expenses or advances owed to Company with regard to the shipment on which the lien is claimed, a prior shipment(s) and/or both. Customs duties, transportation charges, and related payments advanced by the Company shall be deemed paid in trust on behalf of the Customer and treated as pass through payments made on behalf of the Customer for which the Company is acting as a mere conduit.

(b) Company shall provide written notice to Customer of its intent to exercise such lien, the exact amount of monies due and owing, as well as any on-going storage or other charges; Customer shall notify all parties having an interest in its shipment(s) of Company's rights and/or the exercise of such lien.

(c) Unless, within thirty days of receiving notice of lien, Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of Company, guaranteeing payment of the monies owed, plus all storage charges accrued or to be accrued, Company shall have the right to sell such shipment(s) at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to Customer.

15. No Duty To Maintain Records For Customer. Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act, as amended, (19 USC §1508 and 1509) it has the duty and is solely liable for maintaining all records required under the Customs and/or other Laws and Regulations of the United States; unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by Statute(s) and/or Regulation(s), but not act as a "recordkeeper" or "recordkeeping agent" for Customer.

16. Obtaining Binding Rulings, Filing Protests, etc. Unless requested by Customer in writing and agreed to by Company in writing, Company shall be under no obligation to undertake any pre- or post Customs release action, including, but not limited to, obtaining binding rulings, advising of liquidations, filing of petition(s) and/or protests, etc.

17. No Duty To Provide Licensing Authority. Unless requested by Customer in writing and agreed to by the Company in writing, Company shall not be responsible for determining licensing authority or obtaining any license or other authority pertaining to the export from or import into the United States.

18. Preparation and Issuance of Bills of Lading. Where Company prepares and/or issues a bill of lading, Company shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc.; unless specifically requested to do so in writing by Customer or its agent and Customer agrees to pay for same, Company shall rely upon and use the cargo weight supplied by Customer.

19. No Modification or Amendment Unless Written. These terms and conditions of service may only be modified, altered or amended in writing signed by both Customer and Company; any attempt to unilaterally modify, alter or amend same shall be null and void.

20. Compensation of Company. The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by the Company to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends, or other revenue received by the Company from carriers, insurers and others in connection with the shipment. On ocean exports, upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for monies due the Company, upon recovery by the Company, the Customer shall pay the expenses of collection and/or litigation, including a reasonable attorney fee.

21. Force Majeure. Company shall not be liable for losses, damages, delays, wrongful or missed deliveries or nonperformance, in whole or in part, of its responsibilities under the Agreement, resulting from circumstances beyond the control of either Company or its sub-contractors, including but not limited to: (i) acts of God, including flood, earthquake, storm, hurricane, power failure epidemic or other severe health crisis, or other natural disaster; (ii) war, hijacking, robbery, theft, or terrorist activities; (iii) incidents or deteriorations to means of transportation, (iv) embargoes, (v) civil commotions or riots, (vi) defects, nature or inherent vice of the goods; (vii) acts, breaches of contract or omissions by Customer, Shipper, Consignee or anyone else who may have an interest in the shipment, (viii) acts by any government or any agency or subdivision thereof, including denial or cancellation of any import/export or other necessary license; or (ix) strikes, lockouts or other labor conflicts. In such event, Company reserves the right to amend any tariff or negotiated freight or logistics rates, on one day's notice, as necessary to provide the requested service.

22. Severability. In the event any Paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in Full force and effect. Company's decision to waive any provision herein, either by conduct or otherwise, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.

23. Governing Law; Consent to Jurisdiction and Venue. These terms and conditions of service and the relationship of the parties shall be construed according to the laws of the State of CALIFORNIA without giving consideration to principles of conflict of law.

Customer and Company
(a) irrevocably consent to the jurisdiction of the United States District Court and the State courts of CALIFORNIA; (b) agree that any action relating to the services performed by Company, shall only be brought in said courts; (c) consent to the exercise of *in personam* jurisdiction by said courts over it, and (d) further agree that any action to enforce a judgment may be instituted in any jurisdiction.

BILL OF LADING CONTRACT TERMS AND CONDITIONS

1. DEFINITIONS
"Carriage" means the operations and services undertaken or performed by or on behalf of the Carrier in respect of the Goods covered by this Bill of Lading. "Carrier" means Cargo Maritime, Inc. and its servants and agents. "Person" means any natural person, corporation, any other legal entity, or any unincorporated association. "Merchant" includes the consignor, shipper, exporter, seller, consignee, owner of the Goods, or the lawful holder or endorsee of this Bill of Lading, and any Person lawfully acting on behalf of any of the aforementioned Persons. "Goods" means the cargo that the Merchant has tendered for Carriage, whether carried on or under deck, and includes any Container not supplied by or on behalf of the Carrier. "Vessel" includes the vessel named on the front page of this Bill of Lading or any substitute for that vessel, and any feeder vessel, lighter, or barge used by or on behalf of the Carrier in connection with any part of the Carriage. "Sub-Contractor" includes, without limitation, owners and operators of vessels (other than the Carrier), stevedores, terminals, warehouses, container freight stations, road and rail transport operators, and any Person employed by the Carrier in the performance of the Carriage. The term "Sub-Contractor" shall include direct and indirect sub-contractors and their respective servants, agents, or sub-contractors. "Package" means each Container that is stuffed and sealed by or on behalf of the Merchant, and not the items packed in such Container if the number of such items is not indicated on the front page of this Bill of Lading, and not where the number of such items is indicated by the terms such as "Said to Contain" or similar expressions. "Container" includes, without limitation, any shipping container, open top, trailer, transportable tank, flat rack, platform, pallet, and any other equipment or device used by or in connection with the Carriage. "COGSA" means the Carriage of Goods by Sea Act of the United States of America, April 16, 1936, ch. 229, 49 Stat. 1207, reprinted in note following 46 U.S.C. § 30701. "Hague Rules" means the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, signed at Brussels, August 25, 1924. "Hague-Visby Rules" means the amendments by the Protocol Amending the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, adopted at Brussels, February 23, 1968. "SDR Protocol" means the amendments by the Protocol Adopting the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, adopted at Brussels, December 21, 1979. "Charges" includes, without limitation, freight, all expenses, costs, detention, demurrage, general average, and any other money obligations incurred in the Carriage of the Goods or payable by the Merchant, and all collection costs for freight and other amounts due from the Merchant, including, without limitation, attorneys' fees and court costs. "Dangerous Goods" includes any Goods classified or described as dangerous in the International Maritime Organization's International Maritime Dangerous Goods Code or in the Carrier's applicable tariff, and any Goods that could present or could be likely to present any hazard to the transporting conveyance or to other cargo or property or to any Person.

2. CARRIER'S TARIFF

The terms of the Carrier's applicable tariff are incorporated into this Bill of Lading as though fully set forth. The Carrier or its agents shall provide copies of said tariff upon request, or where applicable, from a government body with which the tariff is on file. In case of any inconsistency between this Bill of Lading and the applicable tariff, this Bill of Lading shall prevail.

3. AGREEMENT TO TERMS AND CONDITIONS

The Merchant or its agent, in tendering the Goods to the Carrier for Carriage, accepts this Bill of Lading and agrees to be bound by all of its terms and conditions, both on the front and reverse pages, whether written, typed, stamped, or printed, as fully as if signed by the Merchant, any local custom or privilege to the contrary notwithstanding, and the Merchant agrees that all agreements or freight engagements for and in connection with the Carriage of Goods are superseded by this Bill of Lading. The defenses and limits of liability of this Bill of Lading shall apply in any action against the Carrier under any legal theory whatsoever, whether in contract, tort, bailment, indemnity, contribution, or otherwise.

4. SUB-CONTRACTING AND INDEMNITY

(A) The Carrier has the right at any time and on any terms whatsoever to sub-contract the whole or any part of the Carriage and any duties the Carrier has undertaken in respect of the Goods, or to substitute any other vessel or means of transport for the Vessel.

(B) The Merchant undertakes that no allegation, claim, or legal action shall be made or brought against any Person other than the Carrier or any Vessel that performs or undertakes the Carriage, including, without limitation, any Sub-Contractor, which imposes or attempts to impose upon any such Person, or vessel owned or operated by such Person, any liability whatsoever, whether arising in contract, tort, bailment, or otherwise, in connection with the Goods or the Carriage. Should the Merchant nevertheless make any such claim or allegation, or bring a legal action, the Merchant undertakes and agrees to defend, indemnify, and hold harmless the Carrier against all consequences thereof. Without prejudice to the foregoing, every such Person and vessel, including, without limitation, any Sub-Contractor, shall have the benefit of every exemption, defense, and limitation herein benefiting the Carrier, in contract, tort, bailment, indemnity, contribution, or otherwise, as if such provisions were expressly for every such Person's and vessel's benefit, and in entering into this contract of Carriage, the Carrier, to the extent of such exemptions, defenses, and limitations, 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 that extent, be or be deemed to be parties to this Bill of Lading contract of Carriage.

5. NOTICE OF CLAIM AND TIME-BAR

(A) Unless written notice of loss or damage and the general nature of such loss or damage is given in writing to the Carrier at the Port of Discharge or Place of Delivery, whichever is applicable to the Carriage, before or at the time of the removal of the Goods into the custody of the Person entitled to delivery thereof under this Bill of Lading, such removal shall be prima facie evidence of the delivery by the Carrier of the Goods as described in this Bill of Lading. If the loss or damage is not apparent, the notice must be given within three days of the delivery.

(B) In any event the Carrier and Sub-Contractors shall be discharged from all liability in respect of loss or damage unless suit is brought in the exclusive forum under clause 27 within nine months after the delivery of the Goods or the date on when the Goods should have been delivered; provided, however, if such time period shall be found to be contrary to any compulsorily applicable law, then the prescribed period under such law shall then apply, but only in that circumstance.

6. CLAUSE PARAMOUNT

(A) This Bill of Lading shall have effect subject to COGSA, unless it is adjudged that any other legislation of a nature similar to the Hague Rules, or the Hague-Visby Rules, or the SDR Protocol compulsorily applies to this Bill of Lading. Where the Hague Rules, Hague-Visby Rules, or the SDR Protocol (collectively, "Hague Rules Legislation") compulsorily applies, this Bill of Lading shall have effect subject to such Hague Rules Legislation. Notwithstanding anything else to the contrary in this Bill of Lading, on all Carriage to or from the United States of America, including its districts, territories, and possessions (collectively, the "U.S."), this Bill of Lading shall have effect subject to COGSA—the Carrier and Merchant expressly agree, under the section 13 of COGSA, that it shall apply to Carriage between ports of the U.S., in lieu of the Harter Act, 46 U.S.C. sections 30701-30707.

(B) COGSA or the Hague Rules Legislation, whichever is applicable under clause 6(A), shall also apply and govern the Carriage before the Goods are loaded aboard the Vessel and after they are discharged therefrom, and throughout the entire time that the Goods are in the custody of the Carrier or its Sub-Contractors.

(C) COGSA or the Hague Rules Legislation, whichever is applicable under clause 6(A), is hereby incorporated into this Bill of Lading.

(D) Agency: Whenever the Carrier undertakes to accomplish an act, operation or service not initially agreed or mentioned on this Bill of Lading, the Carrier shall act as the Merchant's agent and shall be under no liability whatsoever for any loss or damage to the Goods or any direct, indirect, or consequential loss arising out of or resulting from such act, operation, or service.

7. CARRIER'S RESPONSIBILITIES

(A) The responsibilities of the Carrier for the Goods cover the entire period during which the Carrier is in charge of the Goods, starting from the time the Carrier has taken over the Goods at the Place of Receipt or Port of Loading, as applicable, until the time of delivery thereof at the Port of Discharge or Place of Delivery, as applicable, to the Merchant or to any authority to which the Carrier is required to make delivery by local law or regulation, whichever occurs earlier.

(B) Subject to clause 7(C), if it can be proven that loss or damage to the Goods has occurred during a particular segment of the Carriage, the liability of the Carrier, if any, and its right to limit its liability under this Bill of Lading shall be subject to any national law or international conventions that are compulsorily applicable to that segment of the Carriage.

(C) Where the liability scheme for interstate motor transportation set forth in United States of America laws collectively known as the "Carmack Amendment" ("Carmack"), would otherwise apply to the Carriage of the Goods or any segment of such Carriage, the Merchant expressly agrees to a waiver of the Carmack liability scheme. For such motor transportation, the Merchant expressly agrees that this Bill of Lading, and particularly, this paragraph, satisfies the express written waiver required under 49 U.S.C. section 14101(b), of all of the Merchant's rights and remedies under Carmack, excluding the provisions governing registration, insurance, or safety fitness.

(D) For any segment of the Carriage that is not non-exempt rail transportation under 49 U.S.C. Title 49, therefore subject to that part of Carmack that governs rail transportation, the Merchant expressly agrees that this Bill of Lading is a contract for specified services under specified rates and conditions under 49 U.S.C. section 10709. For any segment of the Carriage that may be exempt rail transportation as part of a continuous intermodal movement, the Merchant expressly agrees that this Bill of Lading is a contract of exempt rail transportation under 49 U.S.C. section 10502. For such transportation, the Merchant understands and agrees that the Carrier has offered to the Merchant contractual terms for liability and claims that are consistent with the provisions of 49 U.S.C. section 11706 and that the Merchant has instead elected to ship the Goods under the alternative terms for liability and claims of this Bill of Lading, in exchange for the Carrier's regular/low rates for Goods with a limited value.

(E) Notwithstanding clauses 7(C) and (D), if a court were to hold that that Carmack nevertheless applies to any segment of the Carriage, then the following notice and time-for-suit periods shall apply: (i) Any cargo claims subject to Carmack must be filed within nine months after the delivery of the Goods, or in the case of export traffic, within nine months after delivery at the port of export, except that claims for failure to make export must be filed within nine months after a reasonable time for delivery has elapsed. The failure to file a claim within the aforementioned nine-month period shall result in the claim's being time-barred and the Carrier's discharge from any liability, whether in contract, tort, or

otherwise. The Carrier shall not pay any time-barred claims. A timely notice of claim is a condition precedent to the right to institute a timely lawsuit against the Carrier, as set forth below in sub-paragraph (ii).

(ii) Any lawsuits for cargo claims subject to Carmack shall be filed against the Carrier no later than two years and one day from the day on which the Carrier has given written notice to the claimant that the Carrier has disallowed the claim or any part or parts of the claim specified in the timely notice of claim. Assuming a timely notice of claim, the failure to file a timely lawsuit within the aforementioned two-year-and-one-day period shall result in the claim's being time-barred and the Carrier's discharge from any liability, whether in contract, tort, or otherwise. The Carrier shall not pay any time-barred claims.

8. LIMITATION OF LIABILITY, OPPORTUNITY TO AVOID LIMITATION OF LIABILITY

The Carrier has established and offered alternative rates of freight for the Carriage and the Merchant acknowledges that it has made an election between those alternative rates, between (1) the Carrier's regular/low rates for Goods with limited value, and (2) ad valorem rates for goods not so limited, which rates are dependent on the value declared by the Merchant. Unless the Merchant declares the nature and value of the Goods prior to the Carriage, sets forth the same on the front page of this Bill of Lading, and pays the corresponding ad valorem rate, the Merchant knowingly and willingly elects to ship under the Carrier's regular/low rates, the consequence of which shall be that the Carrier's liability to the Merchant shall be limited as follows:

(A) Limitation for Carriage to or from the U.S.: The consequence of the Merchant's knowing and willing election to ship under the Carrier's lower/regular rates is that neither the Carrier nor any Sub-Contractors, or any vessel that transports the Goods shall in any event be or become liable for any loss or damage to or in connection with the Carriage in an amount exceeding U.S.\$500 per package/weight limit of the U.S., or in case of Goods not shipped in packages, per customary freight unit, or the equivalent of that sum in other currency.

(B) Limitation for Carriage Under Hague Rules Legislation: The consequence of the Merchant's knowing and willing election to ship under the Carrier's lower/regular rates is that neither the Carrier nor any Sub-Contractors, or any vessel that transports the Goods shall in any event be or become liable for any loss or damage to or in connection with the Carriage in an amount exceeding the applicable package or unit limitation. Under the Hague Rules, such limitation value is 100 pounds sterling currency and value, and under the Hague-Visby Rules and SDR Protocol, the limitation is 666.67 Special Drawing Rights ("SDRs") per package or 2 SDRs per kilogram, whichever amount is greater.

(C) Limitation for Other Trades or Where Carmack Applies Notwithstanding Clauses 7(C) or 7(D): In trades where neither COGSA nor the Hague Rules Legislation applies compulsorily, or where COGSA does not apply under the terms of this Bill of Lading, or if a court were to hold that Carmack applies notwithstanding the waiver in clause 7(C) or the language of clause 7(D), the consequence of the Merchant's knowing and willing election to ship under the Carrier's regular/low rates is that neither the Carrier nor any Sub-Contractors, or any vessel that transports the Goods shall in any event be or become liable for any loss or damage to or in connection with the Carriage in an amount exceeding U.S.\$1 per kilogram of the gross weight of the Goods that has sustained loss or damage.

9. METHODS AND ROUTES OF CARRIAGE

The Carrier may at any time and without notice to the Merchant:

(A) Use any means of transport or storage whatsoever;

(B) Transfer the Goods from one conveyance to another, including transshipment to a vessel other than the Vessel set forth on the front page of this Bill of Lading, or any other means of transport whatsoever; or

(C) Sail to or without ports, proceed at any speed and by any route in the Carrier's sole discretion—without a view of whether such route is the nearest, most direct, customary, or advertised route, proceed to return to, and stay at any port or place whatsoever in any order, in or out of the route, or in a contrary direction to or beyond the Port of Discharge, once or more in order, to limit, bunker and load or discharge cargo, undergo repairs, adjust equipment, drydock, make trial trips, tow, or be towed.

The Merchant agrees that anything done or not done in accordance with the above sub-paragraphs or any delay arising therefrom shall be within the scope of the Carriage and not a deviation.

10. FORCE MAJEURE

Without prejudice to any of the Carrier's rights or privileges under this Bill of Lading or under applicable law, the Carrier shall not be responsible for any loss, damage, or delay that arises out of or in any way related to, directly or indirectly, any event beyond the reasonable control of the Carrier, including, without limitation, war, hostilities, warlike operations, terrorism, embargoes, blockades, port congestion, strikes or labor disturbances, regulations of any governmental authority pertaining thereto or any other official interferences with commerce that arise out of or are in any way related to the above conditions and affecting the Carrier's operations or the Carriage in any way, in which case the Carrier shall have the right to cancel any outstanding booking or the Carriage. The Carrier, at its sole discretion, without prior notice to the Merchant and irrespective of whether the Carriage has begun, may treat the performance of the Carriage as terminated and place the Goods at the Merchant's disposal at any place or port that the Carrier, at its sole discretion, deems to be safe and convenient, whereupon the Carrier's responsibility for such Goods shall cease. The Carrier shall nevertheless be entitled to full freight and Charges on such Goods, and the Merchant shall pay any additional costs of transportation, demurrage, or storage of such Goods.

11. NOTIFICATION AND DELIVERY

(A) Any mention in this Bill of Lading of parties to be notified of the arrival of the Goods is solely for the information of the Carrier, and failure to give such notification shall not give rise to any liability on the part of the Carrier or relieve the Merchant of any obligation thereunder.

(B) The Merchant shall take delivery of the Goods within the time set forth in the Carrier's applicable tariff or as the Carrier requires. If the Merchant fails to do so, or whenever in the Carrier's sole discretion the Goods are likely to deteriorate, decay, become worthless, lose value, or incur charges in excess of their value, whether for storage or otherwise, the Carrier may, in its sole discretion, without prejudice to any rights the Carrier may have against the Merchant, and without notice and without any responsibility whatsoever attaching to the Carrier, un-stuff, seal, destroy, or dispose of the Goods at the Merchant's sole risk and expense. Any of the foregoing shall constitute delivery to the Merchant under this Bill of Lading, whereupon the Carrier's responsibility for the Goods shall cease.

(C) The Merchant's refusal to take delivery of the Goods notwithstanding its having received notice of their availability shall constitute an irrevocable waiver of any claims arising out of or relating to the Goods or the Carriage. The Merchant shall be liable to the Carrier for any losses, damages, expenses, and liabilities it incurs arising out of such a refusal, including, without limitation, the return of the Goods to their place of origin.

(D) The Merchant understands and agrees to the provisions on free storage time and demurrage in the Carrier's applicable tariff, which is incorporated herein by reference.

12. FREIGHT AND CHARGES

(A) All freight shall be deemed fully, finally, and unconditionally earned on the Carrier's receipt of the Goods and shall be paid and non-refundable in any event.

(B) All freight and Charges shall be paid without any set-off, counter-claim, deduction, or stay of execution before delivery of the Goods.

(C) Payment of freight and Charges to any Person other than the Carrier or its authorized agent, shall not be considered payment to the Carrier and shall be made at the Merchant's sole risk.

(D) The Merchant shall, where applicable, be jointly and severally liable to the Carrier for payment of all freight, demurrage, detention, general average, and Charges including, without limitation, court costs, interest, expenses, and attorneys' fees the Carrier incurs in collecting any sums due, failing which shall be considered a default by the Merchant in the payment of freight and Charges.

13. LIEN

(A) The Carrier shall have a general and continuing lien on the Goods as well as on any other property of the Merchant coming into the Carrier's actual or constructive possession or control for monies owed to the Carrier with regard to the shipment on which the lien is claimed, a prior shipment(s), or any other prior obligation, including, without limitation, freight, dead freight demurrage, detention, any Charges, and for any expenses the Carrier incurs for repacking, remarking, fumigation, or required disposal of faulty Goods, for fines, dues, tolls, or commissions the Carrier has paid or advanced on behalf of the Goods, for any sums, including, without limitation, for legal expenses the Carrier has incurred because of any attachment or other legal proceedings brought against the Goods by governmental authorities or any person claiming an interest in the Goods. The failure to pay any Charges may result in a lien on a future shipment(s), including the cost of storage and appropriate security for the subsequent shipment(s) that the Carrier may hold under this section. In any event, the Carrier's lien shall survive discharge or delivery of the Goods.

(b) The Carrier shall provide written notice to the Merchant of the Carrier's intent to exercise its lien rights, which notice shall set forth the exact amount of monies due and owing. The Merchant shall notify all parties that it knows to have an interest in the shipment(s) of the Carrier's rights or the exercise of its lien rights.

(c) Unless, within thirty days of receiving notice of lien, the Merchant posts cash or letter of credit at sight, or if the amount due is in dispute, an acceptable bond equal to 110 per cent of the value of the total amount due, in favor of Carrier, guaranteeing payment of all monies due and owing, plus all ongoing and accruing charges, such as storage, the Carrier shall have the right to enforce its lien by public or private sale of the Goods or any other property of the Merchant, in bulk or in packages, at any time or place and on any terms that are commercially reasonable, after which the Carrier shall refund to the Merchant any net proceeds remaining after such sale.

14. DESCRIPTION OF GOODS AND NOTIFICATION

(A) The Merchant's description of the Goods stuffed in a sealed Container by the Merchant or on its behalf shall not be binding on the Carrier, and the description declared by the Merchant on the front page of this Bill of Lading is solely for the Merchant's own use. The Merchant understands that the Carrier has not verified the contents, weight, or measurement of a sealed Container or Package, or the value, quantity, quality, description, condition, marks, or numbers of the contents thereof. The Carrier is under no responsibility whatsoever in respect of such description of particulars.

(B) The Carrier shall not in any circumstances whatsoever be under any liability for insufficient packing or inaccuracies, obliteration or absence of marks, numbers, addresses or description, nor for misdelivery due to marks or countermarks or numbers, or for failure to notify the consignee of the arrival of the Goods, notwithstanding any custom of the Port of Discharge or Place of Delivery, as

applicable to the contrary.

15. DANGEROUS GOODS

(A) At the time of shipment of Dangerous Goods, the Merchant shall in compliance with the regulations governing the transportation of such goods, have the same properly packed, distinctly marked, and labeled, and notify the Carrier in writing of their proper description, nature, and the necessary precautions.

(B) Goods that are Dangerous Goods or are otherwise of an inflammable, explosive or dangerous nature to the shipment whereof the Carrier, master or agent of the Carrier, has not consented with knowledge of their nature and character, may at any time before discharge be landed at any place and destroyed or rendered innocuous by the Carrier without compensation, and the Merchant of such goods shall be liable for all damages and expenses directly or indirectly arising out of such shipment.

(C) The Merchant shall indemnify and hold harmless the Carrier against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred, arising out of or in any way connected with or caused by, in whole or in part, omission of full disclosure required by this clause or by applicable treaties, conventions, laws, codes, or regulations.

16. PERISHABLE CARGO

(A) Goods of a perishable nature shall be carried in ordinary Containers without special protection, services, or other measures unless there is noted on the front page of this Bill of Lading that the Goods will be carried in a refrigerated, heated, electrically ventilated, or otherwise specially-equipped Container, or that the Goods are to receive special attention in any way.

(B) The term "apparent good order and condition" when used in this Bill of Lading with reference to Goods that require refrigeration does not mean that the Goods upon the Carrier's receipt of the same, were verified by the Carrier as being at the designated carrying temperature.

(C) The Carrier shall in no event be held liable for damage to Goods due to condensation.

17. DECK CARGO, ANIMALS AND PLANTS

Goods, other than "stowed" Goods in Containers, that are stated on the front page of this Bill of Lading as contracted to be towed "on deck" and are so carried, and all live animals, including, without limitation, fish and birds, or plants shipped hereunder, shall be carried solely at the risk of the Merchant, and the Carrier shall not be liable for any loss or damage to such whatsoever nature arising during the Carriage, whether or not arising out of negligence on the part of the Carrier. The Merchant shall indemnify and hold harmless the Carrier against all or any extra costs the Carrier has incurred for any reason whatsoever in connection with the Carriage of such live animals or plants.

18. INSPECTION OF GOODS

The Carrier or any Sub-Contractor shall be entitled, but under no obligation, to open any Container or Package at any time and to inspect the Goods.

19. MERCHANT-STUFFED CONTAINERS

(A) If a Container has not been stuffed by or on behalf of the Carrier, the Carrier shall not be liable for the loss of or damage to the Goods, and the Merchant shall indemnify and hold harmless the Carrier against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred if such loss, damage, liability, or expense arises out of or is in any way connected with or is caused by, in whole or in part: (1) the manner in which the Container was stuffed, filled, packed, or loaded, including, without limitation, due to the inclusion of wood packing materials; or (2) the unsuitability of the Goods for Carriage in the Container; or (3) The unsuitability or defective condition of the Container, provided that, if the Container had been supplied by or on behalf of the Carrier, that unsuitability or defective condition could have been apparent upon inspection by the Merchant at or prior to the time when the Container was stuffed, filled, packed, or loaded.

(B) The Merchant shall inspect Containers before stuffing them and the use of a Container shall be prima facie evidence of its being suitable and without defect.

20. CARRIAGE AFFECTED BY THE CONDITION OF THE GOODS

If it appears at anytime that the Goods cannot safely or properly be carried or carried further, either at all or without incurring any additional expense or taking any measure(s) in relation to the Goods or the Container, the Carrier may without notice to the Merchant, but as its agent only, take any measure(s) or incur any additional expense to carry or to continue the Carriage, or sell or dispose of the Goods, or abandon the Carriage or store Goods ashore or afloat, under cover or in the open, at any place that the Carrier, in its sole discretion, considers most appropriate, which abandonment, storage, sale, or disposal shall be deemed to constitute delivery under this Bill of Lading. The Merchant shall indemnify the Carrier against any additional expenses it has so incurred.

21. MERCHANT'S RESPONSIBILITIES

(A) The parties within the definition of "Merchant" shall, where applicable, be jointly and severally liable to the Carrier for the fulfillment of all obligations undertaken by any of them under this Bill of Lading.

(B) The Merchant warrants to the Carrier that the particulars relating to the Goods as set forth on the front page of this Bill of Lading have been checked by the Merchant on its receipt of this Bill of Lading. The Merchant further warrants that any particulars relating to the Goods furnished by or on behalf of the Merchant are adequate and correct for all purposes including, without limitation, for purposes of security filings or disclosures and all other government-required filings or disclosures. The Merchant also warrants that the Goods are lawful goods and are not contraband.

(C) The Merchant shall indemnify and hold harmless the Carrier against any loss, damage, liability, and expense, including, without limitation, attorneys' fees that the Carrier has incurred, arising out of or in any way connected with or caused by, in whole or in part, any breach of the warranties in sub-paragraph (B) of this clause or from any other cause in connection with the Goods for which the Carrier is not responsible.

22. DELAY, CONSEQUENTIAL LOSS, ETC.

(A) The Carrier does not undertake that the Goods will be transported from the Place of Receipt or Port of Loading, as applicable, or will arrive at the Port of Discharge or Place of Delivery, as applicable, or will be transhipped on board any particular vessel or other conveyance at any particular date or time or to meet any particular market or in time for any particular use. The scheduled or advertised departure and arrival times are only expected times and may be advanced or delayed and the Carrier shall in no circumstances whatsoever be liable for direct, indirect, or consequential loss or damage caused by delay.

(B) Save as otherwise provided herein, the Carrier shall in no circumstances be liable for direct or indirect consequential loss or damage arising from any other cause.

23. GENERAL AVERAGE AND SALVAGE

Any general average on a vessel operated by the Carrier shall be adjusted, stated, and settled according to the York-Antwerp Rules 1994, in a place and in a currency at the option of the Carrier. Any general average on a vessel not operated by the Carrier, whether a seagoing or inland waterways vessel, shall be adjusted, stated, and settled according to the requirements of the operator of that vessel. In either case, the Merchant shall give such cash deposit or other security as the Carrier may deem sufficient to cover the estimated general average contribution of the Goods before delivery if the Carrier requires, whether or not the Merchant had notice of the Carrier's lien at the time of delivery. The Carrier shall be under no obligation to take any steps whatsoever to collect security for general average contributions due to the Merchant.

24. NEW JASON CLAUSE

In the event of accident, danger, damage, or disaster before or after the commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which or for the consequences of which, the Carrier is not responsible by statute contract or otherwise, the Goods and the Merchant, jointly and severally, shall contribute with the Carrier in general average to the payment of any sacrifices, 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 salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the salving vessel or vessels belonged to strangers. Such deposit as the Carrier or its agents may deem sufficient to cover the estimated contribution of the Goods and any salvage and special charges thereon shall, if required, be made by the Goods and the Merchant, jointly and severally, to the Carrier before delivery.

25. BOTH-TO-BLAME COLLISION

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect, or default of the Master, mariner, pilot, or the servants of the Carrier in the navigation or in the management of the Vessel, the Merchant shall indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her owners insofar as such loss or liability represents loss of, or damage to, or any claim whatsoever of the Merchant, paid or payable by the other or non-carrying vessel or her owners to the Merchant and set-off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying vessel or Carrier. The foregoing provisions shall also apply where the owners, operators, 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.

26. VARIATION OF THE CONTRACT: PARTIAL LIABILITY

No employee, servant, agent, or Sub-Contractor of the Carrier has the power to waive or vary any of the contract terms and conditions of this Bill of Lading unless the Carrier, in writing, has specifically authorized such a waiver or variation. If any provision of this Bill of Lading shall for any reason be held to be invalid or unenforceable by any court or regulatory body, then the remainder of this Bill of Lading shall be unaffected thereby, and remain in full force and effect.

27. LAW AND JURISDICTION

The Merchant agrees that all claims or disputes arising out of or in any way connected to this Bill of Lading or the Carriage shall be determined under the federal law of the United States of America, or where such law is inapplicable, under the laws of the State of California, without regard to its conflicts-of-law rules. The Merchant further agrees that all claims or disputes arising out of or in any way connected to this Bill of Lading or the Carriage shall be determined only in the federal or state courts located in Los Angeles, California, to the exclusion of all other courts. The Merchant and Carrier each agree to irrevocably submit to the personal jurisdiction of such courts, and thereby waive any jurisdictional, venue, or inconvenient forum objections to such courts.