

Hamburg Süd Bill of Lading Terms & Conditions

Version: HS BL 01-09

DEFINITIONS

- a) "Carrier" means Hamburg Südamerikanische Dampfschiffahrts - Gesellschaft KG, Willy-Brandt-Straße 59, 20457 Hamburg, Germany (hereinafter "Hamburg Süd").
- b) "Charges" means freight, deadfreight, demurrage and all expenses and money obligations incurred and payable by the Merchant.
- c) "Container" means any open or closed container, van, trailer, flatbed, flatrack, transportable tank or any similar receptacle whatsoever.
- d) "Goods" means the cargo received from the shipper and described on the face side hereof and any Container not supplied by or on behalf of the Carrier.
- e) "Merchant" means the shipper, consignee, receiver, holder of this Bill of Lading, owner of the cargo or person entitled to the possession of the cargo and the servants and agents of any of these, all of whom shall be jointly and severally liable to the Carrier for the payment of all Charges, and for the performance of the obligations of any of them under this Bill of Lading.
- f) "On Board" or similar words used in this Bill of Lading mean that in a Port-to-Port movement, the Goods have been loaded on board the vessel and, in the event of multimodal transportation, if the originating carrier is a Participating carrier, means that the Goods have been loaded on board a feeder vessel, railcar, truck or other mode of transport at the Place of Receipt and are en route to the Port of Loading named on the reverse side hereof.
- g) "Participating carrier" means any other carrier by water, land or air, performing any stage of the carriage, whether acting as sub-carrier, connecting carrier, substitute carrier or bailee.
- h) "Vessel" means the ocean vessel named on the face side hereof, and any substitute vessel, feedership, barge or other means of conveyance by water used in whole or in part by the Carrier.

2. CARRIER'S TARIFF(S)

Goods carried hereunder are subject to all terms and conditions of Carrier's (see Clause 1.

- a) applicable tariff(s), including those on file with a regulatory body whose rules govern all or a particular portion of the carriage. Copies of the tariff(s) or relevant provisions thereof are obtainable from the Carrier or regulatory body concerned on request. In the event of a conflict between the terms and conditions of such tariff(s) and the Terms and Conditions of this Bill of Lading, those of this Bill of Lading shall prevail, except as may be otherwise provided herein.

3. RESPONSIBILITY: PORT TO PORT AND MULTIMODAL

TRANSPORT: APPLICABLE LEGISLATION

- a) Except as otherwise noted herein, including, but not limited to, Clause 12 hereof, and insofar as applicable law permits, the Carrier shall be responsible for Goods (including, but not limited to, containerized or bulk cargoes) under the following circumstances only:

(1) Port-to-Port Shipment:

From the time received at Port of Loading until delivered at Port of Discharge.

(2) Multimodal Transport:

For the entire period of transport as defined on the reverse side hereof – not only tackle to tackle but during the Carrier's entire period of responsibility – making the Hague Rules contained in the International Convention for the Unification of Certain Rules Relating to Bills of Lading, dated at Brussels, August 25, 1924, compulsorily applicable, including specific adaptations thereof, such as said Rules as amended by the Protocol to Amend the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, dated at Brussels, February 23, 1968 ("Visby Amendments"), hereinafter referred to collectively as "Hague Legislation", as well as to COGSA per 3. b) below unless any other section of Clause 3 provides otherwise.

b) Where this Bill of Lading covers a shipment to, through or from a U.S. port or place, but subject to Clause 19 hereof, COGSA shall govern, not only tackle-to-tackle, but during the Carrier's entire period of responsibility hereunder.

c) In countries where the United Nations Convention on the Carriage of Goods by Sea 1978 ("Hamburg Rules") are compulsorily applicable, and only in that event, said Rules shall apply.

d) Where a Convention/law governing a particular mode of land transport is compulsorily applicable, and only in that event, such as, but not limited to, the CMR Convention, said Convention/law shall apply.

e) If it cannot be determined where the loss or damage occurred; i.e., on water or land, it shall be conclusively presumed to have occurred during waterborne transportation.

f) In the absence of compulsorily applicable legislation/national law or as set forth in 3. b) above, Hague Legislation shall govern.

g) The liberties, rights, defenses, immunities, exemptions, limitations of and exonerations from liability of whatsoever nature, provided for in this Bill of Lading, or (so far as may be permissible) under statute, shall apply in any action or proceeding brought against Carrier.

h) The Carrier shall, notwithstanding which legislation is applicable hereunder, be entitled to the benefit of Sections 181 through 186 and 188, Title 46, U.S. Code and amendments thereto from time to time made, as if the same were expressly set out herein, including but not limited to the Fire Statute, Title 46, U.S. Code, Section 182.

i) In the event that applicable law provides for greater liability and/or damages than that specified in clauses 3. a) - h), the Carrier shall only be liable if such damages were caused by gross negligence or wilful misconduct by the Carrier or the representatives or vicarious agents of the Carrier. If a breach or violation of the contract has not been caused by wilful misconduct, the liability of the Carrier is limited to the foreseeable and typically occurring damages.

If it is determined that the Carrier has violated any material contractual obligation hereunder in negligence, the Carrier shall be liable according to the provisions of German law. In this case the liability of the Carrier is also limited to the foreseeable and typically occurring damages.

Any further liability for whatsoever damages is excluded irrespective of the legal nature of the asserted claim. This applies particularly, but not limited to, claims in respect of (1) the conclusion of the contract, (i.e. fault in contract negotiations), (2) any other breach of obligations and (3) tortious property damages and pecuniary (consequential) losses.

j) In furtherance of Clause 3. h) above, there shall be no liability in respect of loss of or damage to any valuables whatsoever, including, but not limited to, specie, bullion, precious or rare metals or stones, plate, jewelry, works of art or other objects of a rare or precious nature, bank notes or other forms of currency, bonds or other negotiable instruments, whether the value is declared or not unless the contract of carriage and the spaces, apparatus and means used for the carriage and the instructions given for the safe custody thereof have been approved in writing by the Carrier before shipment. Terms and place of delivery by Merchant to Carrier and by Carrier to Merchant must expressly be agreed between the parties in writing before shipment. Carrier shall only be liable for goods within the period expressly agreed as before mentioned and based on the Terms and Conditions of the B/L contract.

4. SUB-CONTRACTING: BENEFICIARIES

- a) The Carrier shall be entitled to sub-contract on any terms the whole or any part of the carriage, loading, unloading, storing, warehousing or other handling whatsoever and any and all duties whatsoever undertaken by it in relation to the Goods or Containers or other packages or

any other goods.

b) Should it be adjudged that any person or entity other than Carrier is under any responsibility for the Goods or any other goods, regardless where any loss or damage shall occur and whether the Goods covered hereby or any other goods are damaged directly or indirectly during any handling, and even if transported on free in, stowed and/or free out terms, all liberties, exemptions, limitations of and exonerations from liability provided by law or by the Terms and Conditions hereof shall be available to the Vessel, her and Carrier's beneficial owner, her operator, demise, bareboat, time and voyage charterer, space and slot charterer, sub-carrier, connecting and substitute carrier, all agents, servants, employees, representatives, all Participating (including inland) carriers and all stevedores, terminal operators, warehousemen, crane operators, watchmen, carpenters, ship cleaners, surveyors and all independent contractors whatsoever. In contracting for the foregoing liberties, exemptions, limitations of and exonerations from liability, the Carrier is acting as agent and trustee for and on behalf of all persons and entities described above, all of whom shall be deemed part of the contract evidenced by this Bill of Lading, regardless for whom acting or by whom retained and paid, it being always understood that said beneficiaries are not entitled to any greater or further exemptions, limitations of or exonerations from liability than those that the Carrier has under this Bill of Lading in any given situation.

c) The Carrier undertakes to procure such services as necessary, having the right to select any mode of land, sea or air transport and to arrange participation by other carriers to accomplish the total or any part of the carriage from Place of Receipt to Place of Delivery, except as may be otherwise provided herein.

d) No agent or servant of the 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 an officer or director of the Carrier having actual authority to bind the Carrier to such waiver or variation.

5. WARRANTY

The Merchant warrants that in agreeing to the Terms and Conditions hereof, he is, or has the authority of, the person owning or entitled to the possession of the Goods and this Bill of Lading.

6. OPTION OF INSPECTION

Carrier may at its option open any Container to inspect the contents. If it appears that any part thereof cannot safely or properly be carried, either at all or without incurring additional expense, Carrier may abandon the transportation and/or take any measures and/or incur any reasonable additional expenses to continue carriage or store Goods, which storage shall be deemed to constitute due delivery hereunder. Merchant shall indemnify Carrier against any reasonable additional Charges so incurred, unless due solely to Carrier's fault.

7. DESCRIPTION OF GOODS, SEALING OF CONTAINERS AND

SUPPLY CHAIN SECURITY: RESPONSIBILITY OF MERCHANT

a) Neither Carrier, nor its agents and servants, shall be liable for, or concluded as to, correctness of marks, descriptions or other representations furnished by or on behalf of Merchant or appearing on Goods or documents relating thereto.

b) When a Container is stuffed by or on behalf of Merchant, such Container shall be deemed shipped as "Shipper's weight, load, stow, count and seal". Merchant agrees Carrier has no reasonable means of checking quantity, weight, condition, identity or existence of contents or manner in which Goods are stuffed, stowed and secured within Container or breakbulk cargo is packaged, or that same is accurate or proper.

c) When a Container is supplied by the Carrier and has been stuffed by or on behalf of Merchant:

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

(a) caused by manner in which Container has been stuffed;

(b) caused by unsuitability of Goods for carriage in Containers;

(c) caused by unsuitability or defective condition of Container, which would have been apparent upon reasonable inspection by Merchant at or prior to time Container was stuffed;

(d) if Container is not sealed at commencement of Carriage by Merchant.

(2) Merchant shall defend, indemnify and hold Carrier harmless against any loss, damage, claim, liability or expense whatsoever covered by (1) above.

(3) In absence of a written request to contrary, Carrier is not under an obligation to provide a Container of any particular type or quality.

d) When a Container is to be stripped by or on behalf of the Merchant, Merchant shall promptly strip, or cause to be stripped, Container and take delivery of its contents, irrespective of condition of Goods. Further, Merchant shall be and remain liable for any loss, damage or expense of whatsoever nature arising or resulting from stripping howsoever occurring, whether such loss or damage is then evident or later manifests itself.

e) When any Container utilized is owned or leased by Carrier, Merchant shall be liable, at tariff rates, for any delay beyond time allowed for the use of such Container, and for any loss, damage or expense incurred by Carrier as a result of failure to return the Container to Carrier in sound condition and state of cleanliness as when received, even if a condition caused by Goods does not then manifest itself and/or results in loss, damage or expense at a subsequent time. Payment therefor is due upon presentation of written cost estimates.

f) Merchant agrees to be responsible for all expenses of any nature incurred while the Goods and Containers are in the custody of Carrier or any Participating carrier, their agents or servants, including but not limited to repairs, reconditioning, demurrage as per Carrier's tariff(s), detention, fines and taxes, civil or criminal, cargo-related inspections by governmental authorities and their attendant costs, and whether charged to the Goods or Containers or levied upon Carrier, Vessel, Participating carrier, their conveyances, their agents or servants, which in any way relate to the Goods or which result from the acts or omissions to act on part of Merchant, its agents or servants, or third-parties for whom Merchant, its agents or servants, are responsible, and to submit to jurisdiction of any court, tribunal or other body before whom Carrier may be brought.

g) Carrier's prior written consent is required for dangerous or hazardous Goods, which must be distinctly marked as such on outside of Goods and Container.

h) Merchant warrants that it has complied with all statutes, ordinances, regulations and requirements of whatsoever nature relative to the Goods, Containers or other packages, their documentation or in any way relating thereto.

i) No obligation is assumed by Carrier unless the nature of breakbulk cargo requiring special care/handling is disclosed in writing and Carrier's agreement obtained at time of booking.

j) **The Carrier is committed to the concept of supply chain security.** Merchant ensures the sealing of all packed containers immediately after stuffing is completed and before placing them at Carrier's disposal for all destinations. Only high security seals must be used. Unless any national law or other binding legislation/regulations - compulsorily applicable - provide otherwise, all seals must meet the specifications for high security seals issued by the International Organisation for Standardization under ISO/PAS 17712 and any subsequent amendment or new definition thereof.

Merchant agrees to provide in writing details of the precise contents of Containers and the seal number(s), when giving shipping instructions to the Carrier.

If Merchant fails to comply with the above mentioned obligations, Merchant is responsible for

all costs resulting therefrom and for all resulting liabilities and responsibilities whatsoever.

8. CONTAINERIZED CARGO

Cargo may be stuffed by Carrier in Containers, and Containers, whether so stuffed or received fully stuffed, may be carried on or under deck without notice, and Merchant expressly agrees that Containers carried on deck are considered for all legal purposes to be stowed under deck. Goods stuffed in Containers on deck shall be subject to the legislation referred to in Clause 3 hereof and will contribute and/or receive compensation in General Average, as the case may be.

9. CONTAINERS WITH TEMPERATURE OR ATMOSPHERE – CONTROLLED APPARATUS

Containers with temperature or atmosphere-controlled apparatus will not be furnished unless expressly contracted for in writing at time of booking and, when furnished, may entail increased Charges. In absence of an express request, it shall be conclusively presumed that use of a dry container is appropriate for the Goods.

Merchant must provide Carrier with desired temperature range when delivering Containers to Carrier, and Carrier to exercise due diligence to maintain the temperature within a reasonable range while in its custody or control. The Carrier does not accept any responsibility for the functioning of temperature or atmosphere-controlled Containers not owned or leased by Carrier or related companies.

10. DECK CARGO

Deck cargo (except that carried in Containers on deck) and live animals are received and carried solely at Merchant's risk (including accident or mortality of animals), and the Carrier will not in any event be liable for any loss or damage for or from which he is exempt, immune or exonerated by applicable law, or from any other cause whatsoever not due to the fault of the Carrier, any warranty of seaworthiness in the premises being hereby waived. Except as may be otherwise provided, such shipments shall be deemed Goods and shall be subject to all Terms and Conditions of this Bill of Lading.

11. METHODS AND ROUTES OF TRANSPORTATION: LIBERTIES

Without derogating from Carrier's obligation to carry Goods to Port of Discharge or Place of Delivery subject to these Terms and Conditions, with respect thereto, Carrier may at any time and without notice:

- a) use any means of transport (water, land and/or air) or storage whatsoever;
- b) transship or carry on another vessel or conveyance or by any other means of transport than that named on the reverse side hereof;
- c) carry Goods on or under deck at its option;
- d) proceed by any route in its sole and absolute discretion and whether the nearest, most direct, customary or advertised route or in or out of geographical rotation;
- e) proceed to or stay at any place whatsoever once or more often and in any order or omit calling at any port, whether scheduled or not;
- f) terminate the transportation and discharge Goods or Containers or other packages and devan and/or store contents at any place whatsoever, ashore or afloat, in the open or covered, and require the Merchant to take delivery and, upon failure to do so, warehouse the Goods at risk and expense of Merchant and Goods;
- g) proceed with or without pilots;
- h) carry livestock, explosives, munitions, warlike stores, dangerous or hazardous Goods or lawful Goods of any and all kinds;
- i) drydock or stop at any unscheduled port for bunkers, repairs or for any purpose whatsoever;
- j) comply with any orders, directions or recommendations given by any government or authority or by any person or body acting or purporting to act with the authority of any government or authority or having under the terms of the insurance on the Vessel or other conveyance employed by the Carrier the right to give such orders, directions or recommendations;
- k) take any other steps or precautions as may appear reasonable to the Carrier under the circumstances.

The liberties set out in subdivisions a) through k) may be invoked for any purpose whatsoever even if not connected with the carriage covered by this Bill of Lading, and any action taken or omitted to be taken, and any delay arising therefrom, shall be deemed to be within the contractual and contemplated carriage and not be an unreasonable deviation.

Notwithstanding, Carrier shall be entitled to full Charges and any additional freight, storage and all other expenses incurred by or on behalf of Carrier, all of which shall be due and owing from Merchant, and Carrier shall have a lien on the Goods for same.

In no circumstance whatsoever shall the Carrier be liable for direct, indirect or consequential loss or damage caused by delay, unless compulsorily applicable legislation / national law provides otherwise.

12. DELIVERY

If delivery of Goods or Containers or other packages or any part thereof is not taken, or not taken within a reasonable period of time, by Merchant(s) when, where and at such time and place as Carrier is entitled to have Merchant(s) take delivery, upon surrender of a single or multiple Bill(s) of Lading, as the case may be, and upon payment of all Charges due, Carrier may, at its option, subject to its lien and without notice, elect to have same remain where they are or delivered to Merchant or sent to a warehouse or other place, vanned or devanned, always at risk and expense of Merchant and Goods and against payment by Merchant of all Charges applicable to LCL (Less than Container Load) loads (as provided in the governing tariff) and any extra expenses incurred as a result of additional services rendered and such option as exercised by Carrier shall constitute a proper delivery to Merchant.

Neither Carrier nor its agents are or shall be obligated to inform Consignee or Notify Party of Vessel's estimated or actual date or time of arrival, and if given, such information shall be considered gratuitous.

In locations where the Hamburg Rules are compulsorily applicable it is hereby agreed that time for delivery of the Goods shall be six (6) months from date of shipment.

Notwithstanding any other term or condition of this Bill of Lading, and provided no tariff in effect at time of shipment provides otherwise, and with due regard to Clause 20 hereof, it is agreed by Merchant that in certain localities, including, but not limited to, Greece, Lebanon and Turkey, discharge, whether arranged by Carrier or its agents or directly by Merchant is, by compulsorily applicable law, performed at risk and expense of Merchant and Goods, so that Carrier's liability then ceases and discharge is on a "free out" basis, as a result of which Carrier is not responsible for any damage to Goods occurring during and/or after discharge, and that in other localities, such as, but not limited to, Egyptian ports, Carrier's liability, by compulsorily applicable law, ceases at ship's rail and Goods are received by Merchant from ship's tackle at risk and expense of Merchant and Goods. Nothing herein contained is to be construed as a waiver of such compulsorily applicable law.

13. CHARGES, INCLUDING FREIGHT

The Charges payable hereunder have been calculated on the basis of particulars furnished by or on behalf of Merchant. Carrier shall, at any time, be entitled to inspect, reweigh, remeasure or revalue the contents and, if any of the particulars furnished by Merchant are found to be incorrect, the Charges shall be adjusted accordingly, and Merchant shall be responsible to pay the correct Charges and all expenses incurred by Carrier in checking said particulars or any of

them.

Charges shall be deemed earned on acceptance of Goods or Containers or other packages for shipment by Carrier and shall be paid by Merchant in full, without any offset, counterclaim or deduction, Goods and/or Vessel or other conveyance lost or not lost, and shall be nonreturnable in any event.

Merchant shall remain responsible for all Charges, regardless whether the Bill of Lading be marked, in words or symbols, "Prepaid", "To be Prepaid" or "Collect".

In case of non-payment of Charges by the Merchant, including but not limited to freight, and/or any other amounts due under this contract, the Carrier is entitled to protest judicially or extra-judicially the relevant amount, to file a complaint in respect of same and/or to take any further action as per the law applicable to this contract.

In arranging for any services with respect to Goods, Carrier shall be considered the exclusive agent of Merchant for all purposes, including but not limited to Charges, as defined herein, and any payment of Charges to other than Carrier shall not, in any event, be considered payment to Carrier.

Charges for USDA cold treatment are for administration only and do not impose any responsibility on Carrier for completion of cold treatment as per USDA regulations, unless caused by negligence of Carrier, its agents, servants, subcontractors and/or independent contractors whatsoever.

Merchant shall defend, indemnify and hold Carrier, any Participating carrier, their agents and servants, harmless from and against all liability, loss, damage and expense which may be sustained or incurred by Carrier relative to the above.

14. CARRIER'S LIEN

Carrier shall have a lien on Goods and any Charges and documents relating thereto for all sums due under this contract or any other contract or undertaking to which Merchant (as defined herein) was party or otherwise involved, which lien shall also extend to General Average contributions, salvage and cost of recovering such sums, inclusive of attorney fees, and shall survive delivery. Such lien may be enforced by Carrier by public or private sale at expense of and without notice to Merchant.

15. BOTH TO BLAME COLLISION CLAUSE

The Both-to-Blame Collision Clause published by the Baltic and International Maritime Council and obtainable from the Carrier (see Clause 1. a) or its agents upon request is hereby incorporated into this Bill of Lading.

16. LIMITATION OF LIABILITY

Carrier's limitation of liability is applicable pursuant to above Clause 3, hereof. Where COGSA applies, liability is limited to \$ 500 per package or per customary freight unit, as the case may be. The limitation shall conclusively apply to a Container, whether furnished and/or stuffed by the Carrier which is characterized as a "package" or is rated lump sum, unless the nature and value of the Goods have been declared by the Merchant prior to shipment and inserted in the box "Declared value" and extra freight paid if required. In no event shall the limitation amount exceed the declared value and nothing herein shall be construed as a waiver of limitation.

17. NOTICE OF CLAIM: TIME FOR SUIT

If notice of loss, damage or claim is not given at time of discharge/removal of Goods by Merchant or, if not then apparent, within 3 consecutive days thereafter, a presumption of discharge/delivery in good order shall arise.

Unless compulsorily applicable legislation / national law provides otherwise, Carrier shall be discharged from all liability of whatsoever nature unless suit is brought within 1 year after delivery of Goods or date Goods should have been delivered, provided however, that if any claim arises during a part of transport subject by applicable law to a shorter period for commencement of suit, any liability whatsoever of Carrier shall cease unless suit is brought within such shorter period.

Suit shall not be deemed "brought" unless jurisdiction is obtained over Carrier and/or Participating carrier by service of process or a written agreement to appear. If compulsorily applicable legislation / national law invalidates this provision it shall nevertheless apply during all non-compulsory periods for which the Carrier bears responsibility. Nothing herein contained shall be construed as a waiver of limitation.

18. GENERAL AVERAGE

General Average shall be adjusted, stated and settled according to York-Antwerp Rules 1994, at any place at option of Carrier whether declared by Carrier or anyone other than the Merchant. In event of accident, danger, damage or disaster, before or after commencement of voyage, from any cause whatsoever, for which the Carrier is not responsible by statute, contract or otherwise, Merchant shall contribute with Carrier in General Average to payment of any sacrifices, losses or expenses of General Average nature that may be made or incurred. Merchant shall give such cash deposit or other security as Carrier may deem sufficient to cover estimated General Average contribution of Goods before delivery as Carrier requires, or, if not so required, within three months of delivery of Goods, whether or not at the time of delivery Merchant had notice of Carrier's lien. Carrier shall be under no obligation to exercise any lien for General Average contribution due Merchant. If a salvaging ship is owned or operated by Carrier, salvage shall be paid for as fully and in same manner as if such salvaging ship was owned or operated by strangers. Cargo's contribution in General Average shall be paid even when such Average is result of fault, neglect or error of the Master, pilot, officers or crew. Merchant expressly renounces all codes, statutes, laws or regulations which might otherwise apply insofar as applicable law permits.

19. LAW AND JURISDICTION

Unless otherwise agreed with the Carrier in writing prior to shipment, this Bill of Lading shall be governed by the laws of Germany and any claim, dispute, suit or proceeding whatsoever shall exclusively be decided by the courts of the City of Hamburg and no other courts.

In case of any dispute relating to Charges, the Merchant hereby agrees to submit to the jurisdiction of the courts of the City of Hamburg, or the Carrier, at its option, may apply to any court or tribunal having jurisdiction in the premises.

Notwithstanding the foregoing, if the Merchant and the Carrier agree, the claim or dispute may be referred to mediation or arbitration upon such terms and at such place as may be mutually agreed upon by the parties.

20. NON-WAIVER AND SEPARABILITY

Nothing in this Bill of Lading shall operate to deprive the Carrier of any statutory protection or defense, immunity, exemption, limitation of or exoneration from liability contained in applicable laws. The Terms and Conditions of this Bill of Lading (including all the terms and conditions of the Carrier's applicable tariff incorporated herein by virtue of Clause 2 above) shall be separable, and if any part or term hereof shall be held invalid, such holding shall not affect the validity or enforceability of any other part or term hereof.