

TERMS FOR ACCEPTANCE OF CARGO BOOKINGS

Except as otherwise expressly agreed, any quotation issued by or on behalf of the Carrier shall be subject to such terms, conditions, clauses, remarks and exceptions (including forum selection clause) as appear on the Carrier's current form of Bill of Lading to be issued for this cargo, a copy of which can be viewed at

www.fednav.com/anglais/standardterms_billoflading.html, and shall also be subject to the following terms and conditions; provided that in case of conflict, the terms and conditions of the said Bill of Lading shall prevail. Except as stated otherwise, the expressions "Carrier" and "Merchant" shall carry the same meaning as in the said Bill of Lading.

1) Load / Discharge:

- a) At load port, no direct discharge into the carrying vessel from barge (except in respect of specified steel products) or from railcar or from truck will be accepted (unless agreed otherwise). The Carrier's responsibility shall only begin when cargo is attached to ship's tackle or, if shore tackle is used, when cargo passes ship's rail. In respect of general cargo, the Antwerp FOB 51 rules are not accepted for delivery by barge.
- b) At discharge port, no direct discharge to barge or railcar or truck will be offered or accepted (unless agreed otherwise). The Carrier's responsibility shall specifically end either when cargo is detached from ship's tackle or, if shore tackle is used, when cargo passed ship's rail. In all circumstances including cases where the Carrier has agreed to arrange for and/or perform, at his costs, transportation between ships' rail or under tackle and the first place of rest or place or storage before loading or after discharge, the Carrier shall not be liable for any loss of or damage to cargo beyond "rail-to-rail" or "tackle-to-tackle" as provided for under the U.S. COGSA, the Hague Rules or the Hague-Visby Rules as may be applicable.
- c) Special handling, stowage and lashing instructions, UN Number and Class (IMDG) and IMSBC Code Reference (Bulk Cargoes), if any, must be declared by the Merchant at the time of negotiation and booking and legibly inserted by the Merchant on all shipping documents. The Merchant shall indemnify and hold the Carrier and its contractor(s) and subcontractor(s) harmless for all losses, damages and expenses, including but not limited to vessel delay, third party claims, survey and legal costs, which would not have arisen or been incurred but for the Merchant's failure to issue such special instructions on a timely basis or in complete and accurate detail. Unless specified otherwise, the Carrier shall be entitled to assume that breakbulk cargo is stackable.
- d) If slinging gear is to be delivered by the Merchant, it must be accompanied by a proper certificate issued by local authorities, and the Merchant shall remain responsible for the adequacy and suitability of such slinging gear.
- e) If carriage "on deck" is required and granted, the following clause shall apply throughout the time the cargo is in the custody of the Carrier:

"The cargo will be carried on deck at the Merchant's risk and without any responsibility or liability of the Carrier (including its servants, agents and subcontractors) for any loss or damage whether caused by its negligence or howsoever otherwise. All Bills of Lading will be clearly claused to this effect and the Merchant warrants that such on-deck carriage has been or will be incorporated in its contractual arrangements with Shippers and/or the Owners of the cargo and also that the cargo will be suitable in every respect for such on-deck carriage (including without limitation the provision of sufficient and adequate lashing points). Without prejudice to the foregoing, the Carrier (including its servants, agents and subcontractors) shall in any event be entitled to rely on each and all of the rights and immunities (including limitations of liability) contained in the Hague Rules as incorporated in the Carriage of Goods by Sea Act 1936 of the U.S.A."

- f) Bills of Lading will be cloused as per remarks from Mate's Receipts.

2) Cargo:

- a) For general cargo, sufficient lifting and lashing points and/or lugs of adequate strength and otherwise suitable for safe handling and ocean carriage of the cargo must be provided, all clearly marked. In case of any non-compliance with this requirement, the Merchant shall indemnify and hold the Carrier and its contractor(s) and subcontractor(s) harmless for all losses, damages and expenses, including but not limited to vessel delay, third party claims, survey and legal costs, which would not have arisen or been incurred but for such non-compliance; and the Carrier reserves the right to refuse to accept the cargo for loading and /or to refuse to load the same.
- b) Without prejudice to the generality of the sub-clause 2)c), all wood or other packing or stowing materials, including but not limited to pallets, crates and dunnage, provided by the Merchant or its agents must be properly treated in accordance with all applicable rules and regulations, duly and properly marked accordingly and accompanied by all proper certification. The Merchant shall indemnify and hold the Carrier and its contractor(s) and subcontractor(s) harmless for all losses, damages and expenses, including but not limited to vessel delay, third party claims, survey and legal costs, which would not have arisen or been incurred but for the carriage of such packing or stowage materials.
- c) The Merchant warrants that its cargo shall be clean and free of dirt, earth or other contaminants and free of insects or vermin ; shall in every respect meet the customs or other government requirement at the port of discharge ; and shall be properly and adequately packaged and/or bundled and/or strapped for ocean shipment so as to protect cargo from handling or shifting damage or from damage as result of fluctuations of temperature and humidity when carried in a vessel having natural ventilation only. The Merchant further agrees to indemnify and hold the Carrier and its contractor(s) and subcontractor(s) harmless for all losses, damages and expenses, including but not limited to vessel delay, third party claims, survey and legal costs, which would not have arisen or been incurred but for any non-compliance with the above. In case of any non-compliance above by the Merchant, the Carrier shall have the right to reject the cargo and charge deadfreight.
- d) The Carrier reserves the right to amend the freight rate if dimensions and/or weights of cargo as provided for shipment are materially different from those indicated by the Merchant at the time of acceptance of the booking.
- e) The Merchant shall provide a preliminary packing list upon booking of the cargo, with final packing list to be submitted together with the loading permit.
- f) The Merchant undertakes to ensure that the weight of each piece of the cargo is evenly distributed within each container, package, bundle or as shipped in loose so as to conform to the maximum point tank-top loading of the carrying vessel as advised by the Carrier prior to shipment, and in no event exceeding 13.5 metric tons per square meter. In case of deck shipment (subject suitable vessel) maximum point loading to be 1.75 metric tons per square meter.
- g) Neither the Carrier nor the ship shall in any event be or become liable for any loss or damage to or in connection with transportation of goods in an amount exceeding \$500 per package, or, in the case of goods not shipped in packages, per customary freight unit, unless the nature and value of such goods have been declared by the Merchant at the time of booking the cargo and the Merchant has agreed to pay such increased freight rate as the Carrier may stipulate. By accepting the Carriers' offer, the Merchant acknowledges that it has been offered, and has declined, a fair opportunity to declare to the Carrier the value of the cargo.

- h) The Carrier reserves the right to refuse to accept for shipment any container which is not fitted with an 'ISO/PAS 17712:2010 High Security Standard Bolt Seal'.

3) Vessel:

- a) The Carrier always reserves the right to utilize vessels of any age.
b) The Merchant accepts that the Carrier has the right to furnish a carrying vessel(s) which is equipped with natural ventilation only.

4) On-carriage:

On-carriage (if applicable) from the port of discharge shall always be at risk, responsibility and expense of the Merchant and cargo.

5) ETR / ETA:

Except as expressly agreed to the contrary, no estimate of the vessel's date of arrival or readiness at the port(s) of loading and/or discharging provided under or in connection with firm bookings shall be deemed to constitute any undertaking or guarantee by the Carrier that the vessel will depart in time to, or will in fact, comply therewith.

6) Seaway Tolls / Marine Service Fees / Maritime Employers Association / Wharfage / ISPS :

Seaway Tolls are included where applicable.

MSF, MEA, ISPS and wharfage charges for cargoes destined to Canadian ports are for Merchant's account. MSF, MEA are not applicable in US ports.

Wharfage charges in US ports for steel shipments are for Carriers' account and for general cargo shipments for Merchant's account.

ISPS surcharges (if applicable) at US ports are for Carriers' account in case of general cargo shipments and for Merchant's account in case of steel shipments.

7) Currency Adjustment Factor:

A Currency Adjustment Factor will be assessed from the moment the rate of exchange between USD and Euro is reaching 0.70. For every 0.01 decrease a Currency Adjustment Factor of 0.5% on the seafreight will be charged. There will be no negative Currency Adjustment Factor.

8) Bunker Clause:

The bunker surcharge will consist out of 2 items.

- a) a first bunker adjustment shall apply if the cost of intermediate fuel oil 380 CST exceeds USD 250.00 per metric ton as per Platts Bunkerwire (Antwerp prices) last issued not less than one (1) working day prior commencement of loading. For each USD 10.00 per metric ton or fraction thereof increase on the said fuel price there is an increase by USD 0.15 per metric ton. This surcharge shall not apply when the mentioned fuel oil price goes below the mentioned USD 250.00 per metric ton.
- b) a second bunker adjustment shall apply if the cost of Marine Gas Oil exceeds 480.00 per metric ton as per Platts Bunkerwire (Antwerp prices) last issued not less than one (1) working day prior commencement of loading. For each USD 10.00 per metric ton or fraction thereof increase on the said fuel price there is an increase by USD 0.35 per metric ton. This surcharge shall not apply when the mentioned fuel oil price goes below the mentioned USD 480.00 per metric ton.

No commission payable on bunker surcharge.

9) International Customs Regulations:

- a) The Merchant acknowledges that it is familiar with the Customs regulations and requirements of the USA (AMS/ACE and Security Filing ("10+2")), of Canada (ACI) and of all European Union members (AES and AIS) so far as they apply or may apply to any or all of the Merchant's cargo to be loaded hereunder ("the Cargo"), and that pursuant to the Customs rules of any of these countries, the Carrier is or may be required to present accurate and complete manifest information about the Cargo to the relevant Customs Authorities not less than 24 hours prior to the commencement of loading. The Merchant undertakes (without request or reminder) to provide such information in proper form to the Carrier in good time to allow the Carrier fully to comply with the Customs' requirements, and in any event not less than 96 hours or 3 full business days (whichever is the greater) prior to the commencement of loading. The Merchant further undertakes to ensure the shippers and receivers provide in a timely and accurate manner all relevant commercial data to the proper Authorities as required under the regulations. The Merchant shall indemnify the Carrier and its contractor(s) and sub-contractor(s) and hold it/ them harmless against any and all consequences howsoever arising out of any failure of the Merchant, or the failure of its servants or agents, including shippers, forwarders or receivers, fully to comply with this undertaking, including, without limitation, claims, costs, fines, delays (whether to the vessel, to the Cargo or to other cargo loaded or scheduled to be loaded on the vessel), and attorneys' fees; and the Carrier shall be entitled to refuse to load the Cargo if such information is not provided in good time or is provided in a form which is, in the reasonable opinion of the Carrier, incomplete. In the event that any or all the Cargo cannot be loaded or must be discharged by reason of the intervention of any regulatory Authority in the US, Canada or EU, or is not loaded on account of the Carrier's proper refusal to do so in accordance with this clause, the Merchant shall also be liable to the Carrier in deadfreight.
- b) Carrier to handle all pre-load and pre-arrival declarations to meet the Customs regulations and requirements of the USA and Canada.

10) Freight:

Freight is payable to Fednav International Ltd. as per agreement and shall be deemed earned as cargo is loaded on board discountless and non-refundable, vessel and/or cargo lost or not lost. Fednav International Ltd. shall have the right to lien the cargo and/or sue for freight, deadfreight, detention, and damages including loss of earnings.

11) Re-stow of cargoes:

The Carrier reserves the right to re-stow any cargo at whichever load port and / or discharge port without previous notice.

12) Arbitration:

The Terms for Acceptance of this Cargo Booking Contract shall be governed by English law and all disputes or differences arising out of or in connection with the Terms for Acceptance of this Cargo Booking Contract only shall be referred exclusively to arbitration by three persons in London, one to be appointed by each of the parties, and the third by the two so chosen. Their decision, or that of any of two of them, shall be final and, for the purpose of enforcement, any award shall be made a rule of the court.

The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association ("LMAA") Terms current at the time when the arbitration is commenced: provided that, where neither claim nor counterclaim exceeds US\$200,000, either party may require that the arbitration shall be conducted under the Small Claims Procedure of the LMAA.

For avoidance of doubt, this arbitration agreement shall not apply to any claim or dispute arising under the Bill of Lading, if any.



Fednav is a member of the C-TPAT (US Customs) and PIP (Canadian Customs) programs. As a result, Fednav has undertaken to take a number of steps to help Customs secure the cargo supply chain. Part of this commitment is to seek the help and collaboration of all our customers for cargoes bound to the USA and Canada.

Please visit www.fednav.com/_site/documents/applications/pdf/CTPAT_Letter.pdf to find out more and see what we require from you as part of our commitment to these programs. We thank you in advance for your cooperation.