

RULE 1: APPLICATION OF TARIFF

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Rules, Provisions, Terms and Conditions named in this Tariff apply on General Cargo transported BETWEEN United States Atlantic, Gulf and Pacific Coast Ports, Great Lakes Ports, Ports in Alaska and Hawaii, United States inland Points and Ports and Points in U.S. Territories and Possessions, on the one hand, AND, on the other all Foreign Ports and Points.

Rates named in NRAs governed by this Tariff applying from/to Ports or Port Location Groups are local commodity rates and may be combined with any outport or inland point arbitraries named in this Tariff. Rates named in NRAs governed by this Tariff applying from/to inland Points or Point Location Groups are through intermodal commodity rates and are NOT Subject to any outport or inland point arbitraries named in this Tariff that would otherwise apply on shipments from/to such inland points. Except as otherwise provided in individual NRAs governed by this Tariff, all rates named in NRAs governed by this Tariff shall also apply as proportional commodity rates applicable on cargo having specific prior or subsequent transportation movements.

The undersigned hereby certifies that the tariff information contained within this hypertext document is true and accurate and that no unlawful alterations will be permitted:

Signature Phyllis Dearborn Title Tariff Issuing Officer

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RULE 1.5A: INTERMODAL LIABILITY

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Pelorus Ocean Line Ltd.'s Liability for cargo during the inland portion of any intermodal transportation service will be as provided in the applicable Pelorus Ocean Line Ltd long form Bill of Lading named in Rule 8.

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RULE 1.5B: FORCE MAJEURE CLAUSE

DATE EFFECTIVE:  
DATE RULE EXPIRES:

Force Majeure Clause: Without prejudice to any rights or privileges of the Carrier under covering Bills of Lading, Dock Receipts, or Booking Contracts under applicable Provisions of law, in the event of war, port congestion, strikes or labor disturbances, regulations of any governmental authority pertaining thereto or any other official

interferences with commercial intercourse arising from the above conditions and affecting the Carrier's operations, the Carrier reserves the right to cancel any outstanding booking or contract in the conformity with Federal Maritime Regulations and the Shipping Act of 1984 (amended).

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**RULE 1.5C: ALTERNATE/SUBSTITUTION SERVICE AND IMPRACTICAL OPERATIONS**

DATE EFFECTIVE:

DATE RULE EXPIRES:

Carrier expressly reserves the right, at its sole discretion, for any reason whatsoever and without notice, to transfer cargo in its possession from one vessel to another and/or to substitute one mode of transportation for another at any point in, or for any portion of, the through transportation service provided by the Carrier. Any such transfer, transshipment, movement or substitution shall be deemed to be within the contract of affreightment and shall not be considered a deviation therefrom.

Alternate or Substituted Service between Ports: Pelorus Ocean Line Ltd. reserves the right to transfer cargo to alternate or substitute ports of service by trucking, rail, or any other means of transportation deemed appropriate by the Carrier, within the range of ports served by the Carrier. Except as otherwise provided below, such substituted service or transfer arrangements shall NOT result either directly or indirectly in any lessening or increasing of the cost or expense which the Shipper would have borne had the cargo moved from, to or through the port(s) originally intended.

Nothing in this Tariff, or in any governed NRA, shall be construed as requiring Carrier to transport cargo or furnish service for which it does not have, or cannot obtain, suitable or sufficient transporting containers or equipment, nor to accept cargo when underlying vessel-operating-common-carrier or inland carrier services are NOT available. Further nothing in this Tariff, or in any governed NRA, shall be construed as creating any obligation for Carrier to institute or maintain any service from or to any port or point where it is impractical, unsafe or unlawful to operate transportation services or if strikes, labor disturbances, civil commotion, military actions, or riots are occurring at the time shipment is tendered or delivered.

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**RULE 1.6: SELECTION OF INLAND CARRIERS**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Inland Carriers in the US, its' territories or possessions, OR inland Carriers in foreign countries will be utilized on the basis of availability of service and as Pelorus Ocean Line Ltd deems necessary to guarantee safe and efficient transportation. Pelorus Ocean Line Ltd is not obligated to transport cargo by any particular rail, motor, air or water carrier NOR shall Pelorus Ocean Line Ltd be restricted to the use of shipper or consignee "preferred" or "selected" carriers. Selection of the rail, motor, air or water

carrier to be used for any portion of the inland transportation of cargo from or to the inland point of service to or from the point of interchange shall be at the sole discretion of Pelorus Ocean Ltd.

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## RULE 2: APPLICATION OF RATES AND CHARGES

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Rules, provisions, rates, surcharges and accessorial charges named in this Tariff and in NRAs governed by this Tariff, apply on cargo transported from Carrier's terminal, ship side, Rail Carrier's TOFC/COFC ramp or Shipper's premises at port or point of origin to Carrier's terminal, ship side, rail carrier's TOFC/COFC ramp, or Consignee's premises at port or point of destination, VIA Local Direct Ocean or Through Service, or Joint Motor/Ocean, Rail/Ocean or Motor/Rail/Ocean Service, subject to the terms, provisions and limitations named in the Rules named in this Tariff or in any NRA governed by this Tariff.

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### RULE 2.1: TRANSIT SERVICE DESCRIPTION

DATE POSTED:  
DATE EFFECTIVE:  
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Except as otherwise provided individual NRAs, all shipments will be transported via carrier's Standard Transit Service.

STANDARD TRANSIT SERVICE = Carrier is not obligated to transport cargo in any particular container or type of container or equipment, or via any particular vessel, ocean, water, rail, motor or air carrier, or in time for any particular market or otherwise than with reasonable dispatch utilizing underlying VOCC fixed sailing schedules. However, shipper will retain the right to specify that a particular vessel, ocean, water, motor or rail carriers be utilized for all or any portion of the through transportation of the cargo. If the shipper fails to specify that a particular carrier be utilized then selection of the carrier shall be at the discretion of the carrier.

EXPRESS OR PREMIER TRANSIT SERVICE = Carrier will utilize a regularly scheduled underlying VOCC with a fixed day departure and the fastest transit time or earliest departure date after receipt of cargo. Carrier guarantees shipment will be loaded aboard a VOCC vessel within at least seven calendar days provided service is available.

DEFERRED TRANSIT SERVICE = Carrier may utilize underlying VOCC with the longest transit time between origin/destination. No departure date will be guaranteed and carrier will transport cargo subject to availability of space in carrier's

trailers/containers, however, cargo will be loaded aboard transporting vessel within two calendar weeks of receipt, provided service is available. Cargo held at terminal for carrier's convenience will not be subject to any applicable storage charges.

ECONOMY TRANSIT SERVICE = Carrier may utilize underlying VOCC with the longest transit time between origin/destination. No departure date will be guaranteed and carrier will transport cargo subject to availability of space in carrier's trailers/containers, however, cargo will be loaded aboard transporting vessel within four calendar weeks of receipt, provided service is available. Cargo held at terminal for carrier's convenience will not be subject to any applicable storage charges.

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**RULE 2.2: TRANSPORTATION SERVICE DESCRIPTIONS AND CODES USED IN NRAS**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Each rate named in an NRA will apply when Carrier provides a specific transportation service which will be shown in connection with such rate. A full description of each transportation service offered is listed below for the Origin / Destination services provided

**DOOR SERVICE (ORIGIN)** = Door service at origin includes spotting empty container at shipper's premises for loading by shipper; pickup of loaded container at shipper premises and transportation service to destination. Door service does not include any stuffing, loading, blocking, bracing, or staking of cargo into the container, nor does it include any equipment demurrage or motor vehicle detention charges incurred while container is in shipper's possession.

**DOOR SERVICE (DESTINATION)** = Door Service at destination includes transportation service to destination, delivery of loaded container and consignee's premises and return of empty container when unloading is completed. Door service at destination does NOT include unloading of cargo, stripping or cleaning of container, nor does it include any equipment demurrage or motor vehicle detention charges incurred while container is in consignee's possession.

**House service** House service at origin is defined as CFS service on LCL or loose cargo, or CY service on FCL cargo. House service at destination is defined as CFS service on LCL or loose cargo or CY service on FCL cargo.

**BREAKBULK SERVICE (ORIGIN)** Breakbulk (non-containerized cargo) = BBK at origin will apply either subject to Liner In terms or Free In terms as defined below. Where terms are not specified in an individual NRA, BBK service rates apply Liner In at origin. Liner In terms at origin include

receipt of cargo free alongside, at point of rest, shipside; loading cargo aboard vessel utilizing ship's / pier's equipment; stowage of cargo on board vessel for safe transportation; and transportation to destination. Liner In terms at origin do NOT include pickup or movement of the cargo beyond point of rest shipside, packaging, palletizing or other preparation of cargo for ocean transportation; storage, wharfage or warehouse charges at origin; NOR any applicable terminal, wharfage or pier receiving or service charges.

**BREKBUK SERVICE (DESTINATION)** (non-containerized cargo) = BBK at destination will apply either subject to Liner Out terms or Free Out terms as defined below. Where terms are not specified in an individual NRA, BBK service rates apply Liner Out at destination. Liner Out terms at destination include transportation to destination, unloading cargo from vessel utilizing ship's/pier's equipment; and transportation to destination.

Liner Out terms at destination do NOT include delivery or movement of the cargo beyond point of rest, wharfage or warehouse charges at destination; NOR any applicable terminal, wharfage or pier receiving or service charges.

**OCEAN PORT SERVICE (ORIGIN)** = Ocean port service at origin is defined as either CFS service on LCL cargo; or BBK service on Breakbulk, loose or noncontainerized cargo, or as CY service on FCL containerized cargo.

**OCEAN PORT SERVICE (DESTINATION)** = Ocean port service at destination is defined as either CFS service on LCL cargo; or BBK service on Breakbulk, loose or non-containerized cargo, or as CY service on FCL containerized cargo.

**ROLL-ON PIER (ORIGIN)** = Roll-On (Ro/Ro) Pier service at origin includes loading of cargo aboard vessel from end of roll-on ramp at shipside; stowage of cargo onboard vessel; and transportation to destination. Roll-On Pier service at origin does not include pickup or prior movement of the cargo to end of roll-on ramp; packaging, palletizing or other preparation of cargo for ocean transportation; storage, wharfage or warehouse charges at origin; NOR any applicable terminal, wharfage or pier receiving or service charges.

**ROLL-OFF PIER (DESTINATION)** = Roll-Off (Ro/Ro) Pier service at destination includes transportation from origin; unloading of cargo from vessel to the end of roll-off ramp at shipside; and transportation to destination. Roll-Off Pier service at destination does not include storage, wharfage, handling or warehouse charges at destination; NOR any applicable terminal, wharfage or pier receiving or service charges

**RAIL YARD SERVICE (ORIGIN)** = Rail Yard Service at origin includes receipt by rail carrier of container loaded off the premises of rail carrier; placement of loaded container aboard rail car equipment; and transportation to destination. Rail Yard Service does not include any stuffing, loading, blocking, bracing

or staking of cargo (including the count thereof) into/onto container; delivery of empty container to shipper's premises; transportation of loading container from shipper's premises to the rail yard, NOR any equipment demurrage or rail carrier storage charges incurred.

**RAIL YARD SERVICE (DESTINATION)** = Rail Yard Service at destination includes receipt by rail carrier of container loaded off the premises of rail carrier; removal of container from rail car equipment; and making loaded container available at rail yard for consignee to remove and unload off the premises of the rail carrier. Rail Yard Service at destination does not include delivery of loaded container to consignee's premises, unloading of cargo NOR any equipment demurrage or rail carrier storage charges incurred.

**CONTAINER FREIGHT STATION (ORIGIN)** = Container Freight Station (CFS) terminal service at origin includes receipt of cargo at carrier's origin CFS terminal; loading of cargo into/onto ocean containers (including furnishing and installing all blocking, bracing or staking necessary to secure cargo in container for safe transportation; and transportation service to destination. It does not include pickup of cargo or other transportation services prior to carrier's receipt of cargo at CFS terminal; CFS storage or warehouse charges incurred at origin terminal, nor any applicable terminal receiving, handling or service charges.

**CONTAINER FREIGHT STATION (DESTINATION)** = CFS terminal service at destination includes unloading of cargo and stripping of container at destination CFS terminal; and making loose, un-containerized cargo available at CFS terminal for consignee pickup. Container Freight Station (CFS) terminal service at destination does not include delivery of loose, un-containerized cargo to consignee's location, nor any other transportation service subsequent to delivery at CFS terminal; nor loading of cargo into/onto consignee's equipment at CFS terminal; nor CFS storage or warehouse charges incurred at destination terminal; nor any applicable terminal delivery, handling, or destination delivery service charges.

**TERMINAL SERVICE (ORIGIN)** = Terminal service at origin is defined as CFS service on LCL or loose cargo, or CY service on FCL cargo, from carrier's designated terminal at a point within the commercial zone of the port or point of origin.

**TERMINAL SERVICE (DESTINATION)** = Terminal service at destination is defined as CFS service on LCL or loose cargo, or CY service on FCL cargo, to carrier's designated terminal at a point within the commercial zone of the port or point of destination.

**CONTAINER YARD/TERMINAL (ORIGIN)** = Container Yard/Terminal Service at origin includes making empty container available for shipper to remove and load off the premises of the carrier; receipt of loaded container at origin CY terminal; and

transportation service to destination. CY terminal service at origin does NOT include delivery of empty container to shipper's premises nor any other transportation service prior to receipt of laded container at origin CY terminal; nor any stuffing, loading, blocking, bracing or staking of cargo into/onto container; nor transportation of loaded container from shipper's premises to carrier's CY terminal; nor any applicable equipment demurrage charges or CY detention charges incurred.

CONTAINER YARD/TERMINAL (DESTINATION) = Container Yard/Terminal service at destination includes transportation service to destination; and making loaded container available for consignee to remove and unload off the premises of the carrier. CY terminal service at destination does not include delivery of loaded container to consignee's premises nor any other transportation service subsequent to delivery at CY destination terminal; nor unloading and stripping or clean of container; nor return of empty container to carrier's CY terminal, nor any applicable equipment demurrage charges or CY detention charges incurred.

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**RULE 2.4: APPLICATION OF RATE BASIS AND CALCULATION OF CHARGES:**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Except as otherwise provided in individual tariff rules, algorithms or NRAs, rates and charges names in this tariff and in governed NRAs are stated in US Currency and apply per weight unit, per measurement unit, per container or lump sum per shipment as specified.

Calculation of freight and additional charges will be based upon the applicable rate, times the number of units tendered for transportation, subject to the provisions named below:

**WEIGHT BASIS RATES:** Rates and/or additional charges stated on a weight unit basis apply per weight ton of 1000 kilos. Freight and additional charges on shipments subject to rates or charges stated on a weight unit basis will be computed on the gross weight of the cargo plus the weight of all packing materials, pallets or shipping containers established at the time cargo is tendered for transportation at origin. Carrier reserves the right to weigh or reweigh on certified scales any cargo tendered for shipment. Any weight so ascertained by the carrier shall be deemed paramount and shall be used to compute freight and additional charges regardless of any other weight, certified or otherwise, declared or provided by the shipper or his agent. Shipper may however at his own expense, seek independent certification of the accuracy of scales utilized by the carrier.

**MEASUREMENT BASIS RATES:** Rates and/or additional charges stated on a measurement unit basis apply per measurement ton of one CBM of Freight and additional charges on shipments subject to rates or charges stated on a measurement unit basis will be computed on the overall measurement of each piece, package or unit

in the shipment. The cubical content of each piece, package or other unit shall be the extreme dimensions of the length, width, and height of such piece, package or unit. All fractions of an inch will be rounded up to the next nearest inch. When calculating freight and additional charges of any irregular or unusually shaped piece, package or unit, the three greatest dimensions shall be used as the rating measurements. When calculating freight and additional charges of barrels, casks, kegs, drums or other cylindrical shipper unites, measurements shall be taken on the square of the bilge. Whenever an individual piece, package or other shipper united is tendered for transportation and it is requested by shipper, or it is necessary because of the nature of the cargo or its packaging, that no cargo be stored on top of same, carrier will use the maximum inside height dimension of the transporting container as the height on the cargo when calculating the freight or assessorial charges.

**ALTERNATING WEIGHT/MEASURMENT BASIS RATES:** Rates and /or additional charges stated on an alternating weight unit or measurement unit apply per the weight OR measurement unit, whichever produces the greatest revenue to the carrier.

**PER CONTAINER BASIS RATES:** Rates and or additional charges stated on a per container basis apply per single container by capacity and type as defined below:

CODE CONTAINER TYPE		CODE CONTAINER TYPE	
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AC	Atmosphere Control	MP	Mafi Flatrack/Platform
CG	Gas Cylinder	OT	Open Top
CP	Collapsible	PC	Dry Van
DF	Drop Frame	PL	Platform
DV	Dry Van	RE	Refrigerated (Reefer)
FB	Flat Bed	RN	Non-Operating Refrigerated (Reefer)
FC	Collapsible Flat Rack	TC	Tank
FR	Flat Rack	TL	Top Loader
GC	Garment (GOH)	TR	Trailer
HH	Half Height	VR	Vehicle Rack
HS	High Stress	VT	Ventilated
HT	High Top, Open Top		
IN	Insulated		

CODE CONTAINER SIZE		CODE CONTAINER SIZE	
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10X	10ft. long, any height	LCL	Less Than Load
20	20ft. long, 8'6"high	43	43ft. long, 8'6"high
20S	20ft. long, 8'0"high	43S	43ft. long, 8'0"high
20A	20ft. long, 9'0"hicube	43A	43ft. long, 9'0"hicube



20HC 20ft. long, 9'6"cube  
20X 20ft. long, any height

43HC 43ft. long, 9'6"cube  
43X 43ft. long, any height

24 24ft. long, 8'6"high  
24S 24ft. long, 8'0"high  
24A 24ft. long, 9'0"cube  
24HC 24ft. long, 9'6"cube  
24X 24ft. long, any height

45 45ft. long, 8'6"high  
45S 45ft. long, 8'0"high  
45A 45ft. long, 9'0"cube  
45HC 45ft. long, 9'6"cube  
45X 45ft. long, any height

35 35ft. long, 8'6"high  
35S 35ft. long, 8'0"high  
35A 35ft. long, 9'0"cube  
35HC 35ft. long, 9'6"cube  
35X 35ft. long, any height

48 48ft. long, 8'6"high  
48S 48ft. long, 8'0"high  
48A 48ft. long, 9'0"cube  
48HC 48ft. long, 9'6"cube  
48X 48ft. long, any height

40 40ft. long, 8'6" high  
40S 40ft. long, 8'0" high  
40A 40ft. long, 9'0" high  
40HC 40ft. long, 9'6" high  
40X 40ft. long, any height

42 42ft. long, 8'6"high  
42S 42ft. long, 8'0"high  
42A 42ft. long, 9'0"cube  
42HC 42ft. long, 9'6"cube  
42X 42ft. long, any height

LUMP SUM BASIS RATES: Rates and/or additional charges stated on a lumpsum basis apply per a single complete unit or shipment not exceeding a specified maximum weight or measurement unit or a maximum number of containers.

CORRECTIONS: Corrections in weight and/or measurements: all freight and assessorial charges billed on the basis of weight and/or measurement are in all cases subject to revision and correction if the weights and/or measurements are found to be incorrectly stated or declared regardless of the party responsible for the original error.

#### RULE 2.7: INSURANCE AND CONSULAR CUSTOMS DUTIES

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Rates and charges named in this tariff and in governed NRAs do not include marine or any other insurance maintained for the benefit of the cargo, nor do they include any consular or customs duties, fees or clearance charges.

1. Shippers desiring carrier to arrange insurance coverage for cargo value in excess of carrier's state liability must notify carrier in writing of the amount and type of insurance requested prior to commencement of transportation services.
2. The shipper and consignee shall be and will remain severally and jointly liable for all customs duties or fees and/or customs clearance charges assessed upon

arrival of cargo at destination. Cargo which cannot be cleared through customs for any reason whatsoever will be stored and/or warehoused by carrier at the risk and expense of the cargo, returned to origin upon shipper's instructions, or turned over to customs authorities without any further responsibility or liability on the part of carrier.

3. Any damage, deterioration or loss of cargo, and any fines imposed by customs or other legal authorities at destination, as the result of shipper's, consignee's or their authorized agent's failure to comply with customs or consular regulations or for any errors or omissions in shipper supplied documentation or shipping information/instructions shall be for the account of the cargo.

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**RULE 2.8: COMMODITY DESCRIPTIONS AND DOCUMENTATION:**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Except as otherwise provided in individual NRAs, Shipper MUST furnish, or arrange for the preparation of, all documentation and information required to export cargo from country of origin, to import cargo into country of destination, and to transport cargo through other countries between origin and destination. In addition to all documentation, Shipper MUST describe cargo in sufficient detail to permit Carrier to rate cargo, and MUST at a minimum comply with the following:

a. EXPORT FROM THE UNITED STATES: Description of commodities shall be uniform on all copies of the B/L and MUST be in conformity with a validated U.S. Export Declaration, EEI (Electronic Export Information) filings to the U.S. Customs Automated Export Systems (AES), and/or Consular Documents covering the shipment. The Carrier may verify the B/L Description with any of the above shipping documents or information to ensure accuracy. Amendments or corrections in the commodity description will be accepted ONLY if validated by U.S. Customs and in conformity with all other shipping documents. If shipments are NOT covered by a Shipper's Export Declaration, as permitted by Export Control Regulations, Shippers MUST insert the applicable commodity Schedule B number in the Line Copy of the B/L.

b. IMPORT INTO THE UNITED STATES: Description of commodities shall be uniform on all copies of the B/L and MUST be in conformity with Customs Declaration, AMS Automated Manifest System) filing (see Rule 2.8A), Customs Entry and Consular Documents. The Carrier may verify the B/L description with other shipping documents or information to ensure accuracy. Amendments or corrections in the commodity description will be accepted ONLY if supported by U.S. Customs Declaration, AMS Filing, Customs Entry, Consular Documents and other shipping documents.

c. Trade names are NOT acceptable commodity descriptions. Shippers are required to declare their commodities by their generally accepted generic or common name.

Hazardous or Dangerous Commodities MUST be declared and described by their proper IMCO/DOT shipping name, and Class, Division and Identification Number.

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**RULE 2.11: ADVANCED CHARGES**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Except as otherwise provided herein, upon the request of the shipper, consignee, beneficial cargo owner, or their agent, carrier will advance the lawful charges described below for collection with carrier's freight and related assessorial charges. Such advance charges will be entered on the BL/shipper orders/instructions or carrier's invoice in such a manner as to accurately describe their exact nature.

1. Drayage charges of US motor, rail, water or air carriers.
2. Cartage charges for transportation between rail ramps, docks, piers, warehouses, terminal or other transportation intermediary facilities.
3. Brokerage, customs service fees, forwarders fees, customs house brokers charges or other third-party charges assessed against the shipment.
4. Charges for storage, packing/unpacking or loading/unloading of cargo when such charges are not included in the rates or charges named in this tariff and NRAs governed by this Tariff.
5. Equipment detention and demurrage charges incurred for the use of underlying VOCC equipment.

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**RULE 2.12: DIVERSION AND RE-CONSIGNMENT**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Once tendered to the carrier, a shipment may be diverted or re-consigned while in carrier's possession prior to commencement of transportation, while in transit, or at billed destination subject to the following provisions:

All requests for diversion or re-consignment must be made in writing, and all additional charges for requested diversion or re-consignment must be guaranteed by the party requesting the diversion or re-consignment service.

The carrier cannot obligate itself to divert or re-consign any shipment short of BL destination once transportation service has commenced, however, carrier will make every reasonable effort to effect diversion or re-consignment before shipment reaches original BL destination.

All additional charges incurred by the carrier in accomplishing a requested diversion or re-consignment shall be advanced by the carrier for collection from the party requesting the service provided.

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**RULE 2.20: FULL CONTAINERLOAD SHIPMENT RULES**

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Upon request, and when available, Carrier will provide, or make arrangements with underlying VOCCs to provide, Shippers with ocean-going containers or other transporting equipment, subject to the conditions, provisions named herein.

The Shipper and/or Consignee shall be responsible for the safety and security of any container in its possession under any provision of this Rule, this Tariff or any NRA governed by this Tariff, and for further shall be responsible for any damage or injury to or loss of the container arising out of the use, operation, maintenance or possession of such container by the Shipper, Consignee or their agent. Additionally the Shipper and/or Consignee shall be responsible for the removal of all blocking, bracing, strapping, paper or debris from the container, or for any solid or liquid contamination of any part of the container furnished to Shipper, and further shall be liable for the cost of cleaning and/or deodorization of the container to the satisfaction of the Carrier. Actual cleaning and/or deodorization of the container **MUST** be performed prior to return of the container to the Carrier. Any and all charges for such cleaning services shall be for the account of the Shipper and/or Consignee.

When containers are loaded and sealed by shipper or his agent, carrier will accept such shipments as, and BL shall be claused "Shipper Load, Stow and Count" and shall be subject to the following provisions

1. Carrier will not be responsible or liable, either directly or indirectly, for any damage resulting from the improper stowage, loading or mixing of articles in containers, nor for any concealed or hidden damage to the cargo.

2. All labor and materials, such as lashing, bulkheads, cross members, platforms, dunnage, pallets or other similar materials, used to block, brace or secure cargo in/on container for safe transportation **MUST** be supplied by and at the expense of the Shipper or his Agent. Carrier will **NOT** be responsible for, and rates and charges named in NRAs governed by this Tariff do **NOT** include, the return or exchange of such materials after use unless otherwise specifically provided therein. Materials used for securing, bracing, lashing, etc. (other than normal packaging or pallets) shall **NOT** be included in the overall weight or measurements of the cargo for the purposes of calculating freight charges

3. Shipper must furnish carrier with a complete list of all cargo in each container, including a complete description of all articles in the container and the gross weight of the cargo contents
4. Carrier reserves the right to open, inspect and recalculate dimensions of cargo contents or to verify the contents of any container with respect to description, weight and/or measurement. When Carrier opens a container, such inspection will be indicated on the B/L and Shipping Documents. Container will then be resealed with Carrier's seal. Where any error in description, weight or measurement is found, Shipper shall be rebilled for all freight and additional assessorial charges due. Upon inspection of the container contents, if Carrier judges the packing or securing of cargo to be inadequate to protect cargo and container during normal ocean transportation, the Carrier shall either refuse to transport the shipment or shall repack and re-secure the cargo in the container. All repacking or re-securing expenses shall be for the account of the cargo.
5. Shippers placing locking and/or security devices on loaded container must assume full responsibility for getting the proper "key" to the consignee by the time the shipment is delivered.
6. When a container subject to "Shippers Load, Stow and Count" is delivered, the Consignee or his Agent MUST furnish Carrier with a clean receipt, prior to release of the container or its contents for delivery.
7. Carrier will accept hazardous or dangerous cargo (See Rule 16) loaded in Containers handled in "Shipper Load, Stow and Count" service ONLY when Shipper has obtained Carrier's prior approval, and ONLY when Shipper has complied with all packing, labeling, marking and placarding regulations outlined in Rule 16 of this Tariff.
8. Gross weight of loaded containers cannot exceed highway weight limitations unless shipper, consignee, or their agent, have obtained specific authorization from relevant governmental authorities and in NO event shall the gross weight of the container and the contents exceed the maximum weight capacity of the container. Further without regard to intent, negligence or any other factor, shipper, consignee and their agents shall be and will remain jointly, severally and absolutely liable for any fine, penalty or other sanction imposed by any governmental authority on containers moving under "shipper, load, stow and count" service which exceed lawful over the road weight limitations.

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**RULE 2.25: CUSTOMS INSPECTION/DELAY OR CONTAINER AND CARGO**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Should any customs service or other governmental authority order or require cargo to be discharged or unloaded from container for inspection or examination, or should any customs service or other governmental authority impound, seize or detain cargo or container for any reason, all charges and expenses, including any applicable demurrage, detention or per diem charges will be for the account of the cargo. Moreover, carrier will assume no risk or liability of the actions or omissions of such customs services, governmental authorities or their agents.

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**RULE 3: EFFECTIVE DATE OF APPLICABLE RATES:**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

All cargo will be transported at the applicable rate and subject to the applicable rules, provisions and accessorial charges lawfully in effect in this Tariff, in any specified underlying VOCC GRI rule, and/or in any governed NRA on the date when the cargo is received by the originating Carrier (including originating Carriers in the case of rates applying to through transportation). When carrier assembles part-lots received on different days into a single shipment for carriage on a single bill of lading, the applicable date will be determined by the date of receipt of the component of the assembled shipment.

In the event that cargo arrives at a Carrier facility without prior notification to the Carrier, the issuance of Carrier's Ocean Bill of Lading will constitute formal receipt of the cargo unless otherwise agreed to between Carrier and the Shipper.

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**RULE 6: MINIMUM BILL OF LADING CHARGES:**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Except as otherwise provided in an individual NRA the minimum charge for a single shipment moving on a single bill of lading exclusive of all additional assessorial charges, arbitraries and/or surcharges names in this tariff or in the governed NRA will be provided below:

On W/M, W, or M rate shipments: the applicable charge for a single freight ton of cargo

On FCL PC rated shipments: the applicable charge for a single container

On Lump Sum or Each rated shipment: the stated LS or EA rate

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**RULE 7: PAMENT OF FREIGHT & CHARGES:**

DATE POSTED:  
DATE EFFECTIVE:

DATE RULE EXPIRES:

Freight charges, assessorial charges, surcharges or other charges named in this tariff, and in NRAs governed by this Tariff, including advanced charges may be prepaid or collect at origin or destination. However, regardless of whether B/L payment status is prepaid or collect the shipper, his duly authorized freight forwarder, the consignee and the beneficial cargo owner shall be, and will remain, jointly and severally liable for all unpaid charges and freight, including by not limited to any sums advanced or disbursed by the carrier for the account of the cargo.

All freight and additional charges named in this Tariff and in NRAs governed by this Tariff are due and considered earned upon receipt of the cargo by the originating carrier or his agent, and shall be paid to the carrier without discount or deduction, whether the ship and/or cargo is lost or not lost, transportation is interrupted or abandoned, whether the cargo is damaged or ruined, or whether packages or containers are delivered empty or partly empty at destination

If any party responsible for the payment of charges fails or refuses to pay lawful freight and/or other charges due as specified above, carrier shall be entitled to recover all collection costs incurred, including, but not limited to, reasonable collection agency fees, attorney's fees and court costs.

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RULE 10: ADDITIONAL SURCHARGES & ASSESSORIAL CHARGES

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Shipments moving pursuant to governed NRAs will not be subject to any Additional Charges, Surcharges or Assessorial Charges that are not specifically listed in this Tariff or in the governed NRA. Unless otherwise specifically listed in a governed NRA the charges listed below are included in, and the shipments moving pursuant thereto, are NOT Subject to the following Additional:

ACS: Alameda Corridor Surcharge – INCLUDED, EAN in an individual NRA

AES: Automated Export System Fee – INCLUDED, EAN in an individual NRA

AMS: Automated Manifest System Fee – INCLUDED, EAN in an individual NRA

BAF: Bunker/Fuel Surcharges – INCLUDED, EAN in an individual NRA

CAF: Currency Adjustment Factor/Fee – INCLUDED, EAN in an individual NRA

CUC: Chassis Usage Surcharge – INCLUDED, EAN in an individual NRA

EBAF: Emergency Bunker/Fuel Surcharge – INCLUDED, EAN in an individual NRA

ENS: European (EU) Security Surcharge (European Import Control System entry Summary Declaration) – INCLUDED, EAN in an individual NRA

ERC: Emergency Revenue/Recovery Surcharge – INCLUDED, EAN in an individual NRA

ISF: Import Security Fee – INCLUDED, EAN in an individual NRA

ISPS: International Port Security Charge – INCLUDED, EAN in an individual NRA

PCS: Panama Canal Transit Charges – INCLUDED, EAN in an individual NRA

PSS: Peak Season Surcharges – INCLUDED, EAN in an individual NRA

SUEZ: Suez Canal Transit Fee – INCLUDED, EAN in an individual NRA

THC: Terminal Handling Charge – INCLUDED, EAN in an individual NRA

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#### RULE 12: AD VALOREM PROVISIONS

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

All shipments moving pursuant to and rated under the rules, regulations, rates and charges named in this Tariff and in NRAs governed by this Tariff, are predicated on Carrier's liability NOT exceeding the limits specified in the Carrier's regular B/L (see Rule 8) and/or the provisions named herein.

1. Overocean Service Liability: While cargo is in transport between POL and POD, Carrier's liability shall be determined in accordance with the clauses of the Carrier's regular B/L (See Rule 8). Carrier will NOT accept, NOR be liable for, any liability greater than such limits.
2. Inland Service Liability: While cargo is in transport between U.S. Points of Origin or Destination and U.S. POL or POD as part of a through movement, the terms and conditions of Carrier's regular B/L, specifying that the liability for the cargo during such portion of the through transportation rests with the underlying inland Carrier, applies. Pelorus Ocean Line Ltd. will NOT accept, NOR be liable for, any liability greater than the such limits.
3. Neither any oral declaration, nor any statement of value for governmental or Customs purposes, nor presentation of invoices for use in foreign Customs, nor collection of C.O.D. amounts or other purposes, nor the declaration of value for insurance, nor instructions to the Carrier to insure, shall be deemed a "declaration of value" which would increase Carrier's stipulated liability, nor shall any such offering supplement or amend in any way the liability of the Carrier for



the cargo at the time of shipment, on which charges for transportation services are based.

4. Regardless of the value declared by the Shipper, Carrier's liability will NOT exceed the actual value of the cargo or the actual damages sustained when less.
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#### RULE 14: CO-LOADING OF CARGO

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Pelorus Ocean Line Ltd. a Registered Non-Vessel-Operating Common Carrier (NVOCC) may tender cargo to other NVOCCs for co-loading at its option, risk and expense SBJ to the provisions named below. For the purposes of this Rule, "Co-Loading" is the combining of cargo, in the import or export foreign commerce of the United States, by 2 (two) or more NVOCCs for tendering to an Ocean Common Carrier under the name of 1 (one) or more NVOCCs.

When Carrier tenders cargo to another NVOCC for co-loading, whether under a carrier-to-carrier agreement, or as a Shipper, the Carrier will place a notation reading substantially as specified below on the face of Carrier's B/L covering such co-loaded cargo.

"Pelorus Ocean Line Ltd. has tendered the cargo moving under this B/L to (Name of Receiving NVOCC) for co-loading service." (Receiving NVOCC may be identified only by its SCAC Code).

The exercising of its option to utilize co-loading service does NOT alter or relieve Carrier of any responsibility for the payment of all underlying Carrier or receiving NVOCC rates and charges assessed for the transportation and handling of the cargo from origin to destination.

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#### RULE 16: PROVISIONS GOVERNING THE TRANSPORTATION OF HAZARDOUS CARGO

DATE POSTED:

DATE EFFECTIVE:

DATE RULE EXPIRES:

Except as otherwise provided in paragraph c. below, hazardous, explosive, flammable or dangerous cargo, as defined in the publications named below, will be accepted by the Carrier for transportation under the rules, charges and rates named in this Tariff and NRAs governed by this Tariff which contain rates applying on Hazardous Cargo:

1. ONLY after prior booking and arrangements have been made with and accepted by the Ocean Carrier; and
2. ONLY when local regulations, ordinances and lawful authorities at origin, destination or transshipment ports/points permit the handling of such cargo at Carrier's or port terminals and facilities; and
3. ONLY when U.S. Coast Guard and/or local authority permits have been obtained and complied with by Shipper and/or Consignee.

Carrier reserves the right to refuse to accept or transport cargo which, in the judgement of the Carrier, is opprobrious or likely to injure vessel, docks, terminals, rail cars, trucks or other cargo, or for which the Carrier CANNOT provide or obtain safe and suitable terminal space or stowage. Further Carrier will refuse any shipment of hazardous, explosive, flammable, dangerous or objectionable cargo when shipping containers, marking, labels, certifications, packing or packaging of such cargo is NOT in accordance, and strict compliance, with the rules, regulations and provisions in the publications named below.

All commodities required to be carried on-deck of transporting vessel, either in the open or under cover, or which if stowed below deck must be stowed in a "magazine", or which cannot be loaded or unloaded without a permit from the U.S. Coast Guard, shall be considered hazardous or dangerous cargo, and will be rated accordingly.

All hazardous, explosive, flammable or dangerous cargo, when accepted by the Carrier for transportation:

1. MUST be packed, labeled, placarded, marked, stowed and secured (when in containers) and delivered in strict accordance with:
  - A. U.S. Coast Guard Regulations (46 CFR Parts 146-179)
  - B. U.S. Department of Transportation Regulations (49 CFR Parts 170-179); and
  - C. the International Maritime Dangerous Goods Code (IMCO - published by the Inter-Governmental Maritime Consultative Organization); and
  - D. all rules and regulations promulgated by applicable local, municipal, state or foreign governments or authorities.

2. MUST have all Certifications, as required by law, annotated on the B/L, Shipping Order and Cargo Receipt.

3. MUST have Shipper's attestation, when required, on the B/L and Shipping Orders that the shipment contains no mix of non-compatible hazardous materials and no hazardous waste as defined in the regulations named above.

When booking hazardous cargo, Shipper and/or his agent MUST inform Carrier accurately and completely of the true character of the cargo together with the information noted below in writing, or it MUST be confirmed in writing when arrangements and booking has been made verbally.

1. The proper shipping name, including trade or popular name, of the commodity followed by the technical name of the materials; and
2. The hazardous class, IMCO Code Number and UN Number (if any); and
3. The flash point or flash point range (when applicable); and
4. The applicable label(s) or placard(s) that must be placed on each package or container, including labels communicating secondary and tertiary hazards (when required); and
5. Identification of the type of packaging (e.g. drums, cylinders, barrels, etc.); and
6. The number of pieces of each type of package; and
7. The gross weight of each type of package or the individual gross weight of each package; and
8. The Harmonized Code, SITC or BTN number of the commodity; and
9. The types of certifications and Emergency Response Data required by the regulations named in the publications listed above.

At the time hazardous cargo is tendered for transportation, all documentation, certifications, transfer shipping papers (as required by 49 CFR 100-199 when applicable), and the Bill of Lading annotations required under the regulations and provisions noted in the publications listed above, MUST be furnished to originating carrier, unless such documents have already been provided prior to tendering of cargo. Carrier will compare declarations on all documentation provided at the time of shipment for possible errors, however it is, and shall remain, the sole responsibility of the Shipper to ensure that all such documentation is

correct and complete. Further, it is the Shipper's responsibility to ensure that all pieces, packages and units in the shipment are clearly and properly marked with the required labels and placards.

When a shipment has been accepted by the Carrier for transportation and subsequently an error is found in the required certifications, packaging, labeling, placarding or other required notice or marking requirement(s) and regulation(s), all damages, fines or penalties, actual or consequential, shall be for the account of the party required to provide such certifications, packaging, labels, placards, etc.

When required by law, governmental regulations, the regulations specified in the publications listed above or by underlying VOCC utilized, it is necessary to forward hazardous cargo separately from non-hazardous cargo, the hazardous cargo will be considered and handled as a separate shipment and rated accordingly. Additionally, when a shipment contains 2 (two) or more hazardous articles which, under the provisions of the regulations specified in the publications listed above, are prohibited from being loaded or stored together, each article or group of incompatible articles in the shipment will be considered and handled as a separate shipment and rated accordingly.

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**RULE 18: REFUSED, REJECTED OR UNCLAIMED SHIPMENTS**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

A shipment, which for any reason, is refused or rejected by the consignee at destination or which cannot be delivered despite carrier's diligent efforts for reasons not ascribable to the carrier within 48 hours of notification to the consignee that the shipment has arrived and is ready for delivery will be considered refused or unclaimed and will be subject to the following provisions:

1. If, after the expiration of the free time specified above, delivery of shipment to consignee is ultimately accomplished, all third party warehouse, storage and/or redelivery charges which have been incurred and/or advanced by the carrier will be assessed and collected from the consignee, regardless of whether the shipment was prepaid or collect, unless shipper shall otherwise claim responsibility for such charges in writing.

2. In all cases of refused or unclaimed shipments, carrier will immediately notify shipper of such status by any electronic or written means and request instructions for the disposition of the shipment.
  3. If carrier does not receive instructions for the disposition of shipment within the free time specified above, carrier reserves the right to transfer the refused or unclaimed cargo to a public storage facility. All third-party charges incurred and assessed as a result of such action, including but not limited to, storage, transfer, terminal, cartage or customs charges will be for the account of cargo. Once placed in a public storage facility, carrier's liability will terminate and a lien for all unpaid freight and additional charges shall be placed on the cargo for carrier's account.
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#### RULE 19: SHIPPER REQUEST, QUESTIONS OR COMPLAINTS

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Any shipper may transmit his requests, questions or complaints as hereinafter defined to the Carrier. Additionally, all inquiries may be addressed to the Carrier orally or in writing at the address shown below:

Pelorus Ocean Lines, LTD  
Main Office Room 905, Silvercord Tower II, 3 Canton Road, Tsimshatsui, Kowloon,  
Hong Kong.

US Agent Office 10450 Doral Boulevard Doral, FL 33178 Telephone (800) 999-9905  
Facsimile (305) 406-4520.

As used in this rule the terms request or complaint means any communication to the Carrier requesting the establishment of a NRA, a new rate, or a change in rates, rules or charges, as well as objections to rate increases, a change in an NRA, or other tariff provisions or changes, this includes any protest against alleged erroneous billing due to an incorrect commodity description classification or incorrect weight or measurement of cargo, or other problems from the implementation of an NRA or the Rules of this Tariff.

Routine requests for rate quotes, NRA Quotes, sailing schedules, space availability and the like are included in the foregoing definition of "requests" or "complaints."

Any request for a reduced rate, or an NRA Rate Quote, should give details of commodity, value, packing, weight/measurement ratio, prospective volume, proposed rate requested and all other relevant details.

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#### RULE 24: NVOCC OTI BOND REFERENCE

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Pelorus Ocean Line Ltd., a Non-Vessel Owning Common Carrier has posted a security bond in the amount of \$150,000.00 with the Federal Maritime Commission as required by the Shipper Act of 1984, as amended. The Surety Bond, Bond number 56810 issued by American Alternative Insurance Company, guarantees the payment of a judgment for damages arising from the Carrier's transportation related activities and under any order for reparations or penalties assessed under the Shipping Act of 1984, as amended.

Pelorus Ocean Line Ltd., is domiciled in Hong Kong and has appointed the party named below as its' US Resident agent to sign receipts and accept all notices, orders, subpoenas, or other legal documents issued, promulgated or decreed by any US Federal, State, or Local court as well as by the Federal Maritime Commission or any other governmental agency, commission or regulatory body in the carrier's name, place and stead: Hellmann Worldwide Logistics 10450 Doral Blvd Doral, FL 33178

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**RULE 30: ACCESS TO TARIFF**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

Carrier maintains an electronic copy of this Tariff in conformity with 46 CFR 520 and 46 CFR 532, at the address below. Access to interested parties is free and open without restriction.

<http://doc01.us.hellmann.net:8080/alfresco/d/d/workspace/SpacesStore/b933c0b7-f5f0-486b-b11ba97131da2193/Pelorus%20FMC%20Tariff.docx>

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**RULE 50: BILL OF LADING DATA**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

When issued, all B/Ls MUST show the name and address of both the Shipper/Consignor and the Consignee; the total weight and total measurement of each piece, package or unit of cargo in the shipment, except in the case of FCL shipments, only the total shipment weight and measurement must be shown; and on shipments consigned "TO ORDER," the name and address of the party to be notified MUST also appear.

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**RULE 51: BILL OF LADING TERMS AND CONDITIONS**

DATE POSTED:  
DATE EFFECTIVE:  
DATE RULE EXPIRES:

All cargo transported under the rates, charges, terms and conditions named in this Tariff, and in NRAs governed by this Tariff, shall be held, carried and delivered SBJ to the provisions of Carrier's applicable Long Form B\L, the terms and conditions of which are shown below.

#### 1. DEFINITIONS

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

"Merchant" includes the shipper, the consignee, the receiver of the Goods, the holder of this Bill of Lading, any person owning or entitled to the possession of the Goods or this Bill of Lading, any person having a present or future interest in the Goods or any person acting on behalf of the above mentioned persons.

"Goods" includes the cargo supplied by the Merchant and includes any Container not supplied by or on behalf of the Carrier.

"Container" includes any container, trailer, transportable tank, lift van, flat, pallet or any similar article of transport used to consolidate goods.

"Carriage" means the whole of the operations and services undertaken or performed by or on behalf of the Carrier in respect of the Goods.

"Combined Transport" arises where the Carriage called for by this Bill of Lading is not a Port to Port Shipment.

"Port to Port Shipment" arises where the Place of Receipt and the Place of Delivery are not indicated on the front of this Bill of Lading or if both the Place of Receipt and the Place of Delivery indicated are ports and the Bill of Lading does not in the nomination of the Place of Receipt or the Place of Delivery on the front hereof specify any place or spot within the area of the port so nominated.

"Hague Rules" means the provisions of the international Convention for Unification of certain Rules relating to Bills of Lading signed at Brussels on 25th August 1924.

"Hague-Visby Rules" means the Hague Rules as amended by the Protocol signed at Brussels on 23rd February 1968.

"COGSA" means the Carriage of Goods by Sea Act of the United States of America approved 16th April 1936.

"COGWA" means the Carriage of Goods by Water Act 1936 of Canada.

"Charges" includes freight and all expenses and money obligations incurred and payable by the Merchant.

“Shipping Unit” includes freight unit and the term "unit" as used in the Hague Rules and Hague-Visby Rules.

“Person” includes an individual, a partnership, a body corporate or other entity.

“Stuffed” includes filled, consolidated, packed, loaded or secured.

## 2. CARRIER'S TARIFF

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

## 3. WARRANTY

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

## 4. NEGOTIABILITY AND TITLE TO THE GOODS

(1) This Bill of Lading shall be non-negotiable unless made out “to order” in which event it shall be negotiable and shall constitute title to the Goods and the holder shall be entitled to receive or to transfer the Goods herein described.

(2) This Bill of Lading shall be prima facie evidence of the taking in charge by the Carrier of the Goods as herein described. However proof to the contrary shall not be admissible when this Bill of Lading has been negotiated or transferred for valuable consideration to a third party acting in good faith.

## 5. CERTAIN RIGHTS AND IMMUNITIES FOR THE CARRIER AND OTHER PERSONS

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

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



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

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

#### 6. CARRIER'S RESPONSIBILITY

##### (1) CLAUSE PARAMOUNT

(A) Subject to clause 13 below, this Bill of Lading insofar as it relates to sea carriage by any vessel whether named herein or effect subject to the Hague Rules or any legislation making such Rules or the Hague-Visby Rules compulsorily applicable (such as COGSA or COGWA) to this Bill of Lading and the provisions of the Hague Rules or applicable legislation shall be deemed incorporated herein, The Hague Rules (or COGSA or COGWA if this Bill of Lading is subject to U.S. or Canadian law respectively) shall apply to the carriage of Goods by inland waterways. If and to the extent that the provisions of the Harter Act of the United States of America 1893 would otherwise compulsorily applicable to regulate the Carriers' responsibility for the Goods during any period prior to loading on or after discharge from the vessel the Carrier's responsibility shall instead be determined by the provisions of 6(3) below, but if such provisions are found to be invalid such responsibility shall be subject to COGSA.

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

## (2) PORT TO PORT SHIPMENT

The responsibility of the Carrier is limited to that part of the Carriage from and during loading onto the vessel up to and during discharge from the vessel and the Carrier shall not be liable for any loss of damage whatsoever in respect of the Goods or any other matter arising during any other part of the Carriage even though Charges for the whole Carriage have been charged by the Carrier The Merchant constitutes the Carrier as agent to enter into contracts on behalf of the Merchant with others for transport, storage, handling or any other services in respect of the Goods prior to loading and subsequent to discharge of the Goods from the vessel without responsibility for any act or omission whatsoever on the part of the Carrier or others and the Carrier may as such agent enter into contracts with others on any terms whatsoever including terms less favourable than the terms in this Bill of Lading

## (3) COMBINED TRANSPORT

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

(A) Where the stage of Carriage where the loss or damage occurred cannot be proved:

(i) The Carrier shall be entitled to rely upon all exclusions from liability under the Rules or legislation that would have applied under 6(1)(A) above had the loss or damage occurred at sea or, if there was no carriage by sea, under the Hague Rules (or COGSA or COGWA) if this Bill of Lading is subject to U.S. or Canadian law respectively).

(ii) Where under (i) above, the Carrier is not liable in respect of some of the factors causing the loss or damage; he shall only be liable to the extent that those factors for which he is liable have contributed to the loss or damage.

(iii) Subject to 6(4)(C) below, where the Hague Rules or any legislation applying such Rules or the Hague-Visby Rules (such as COGSA or COGWA) is not compulsorily applicable, the Carrier's liability shall not exceed US\$2.00 per kilo of the gross weight of the Goods lost, damaged or in respect of which the claim arises of the value of such Goods, whichever is the lesser.

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

(B) Where the stage of Carriage where the loss or damage occurred can be proved:

(i) The liability of the Carrier shall be determined by the provisions contained in any international convention or national law of the country, which provisions:

(a) Cannot be departed from by private contract to the detriment of the Merchant. and

(b) Would have applied if the Merchant had made a separate and direct contract with the Carrier in respect of the particular stage of Carriage where the loss or damage

occurred and had received as evidence thereof any particular document which must be issued in order to make such international convention or national law applicable.

(ii) with respect to the transportation in the United States of America or in Canada to the Port of Loading or from the Port of Discharge, the responsibility of the Carrier shall be to procure transportation by carriers (one or more) and such transportation shall be subject to the inland carriers' contracts of carriage and tariffs and any law compulsorily applicable. The Carrier guarantees the fulfilment of such inland carriers' obligations under their contracts and tariffs.

(iii) Where neither (i) or (ii) above apply, any liability of the Carrier shall be determined by 6(3)(A) above.

#### (4) GENERAL PROVISIONS

##### (A) Delay. Consequential LOSS

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

##### (B) package or Shipping Unit Limitation

Where the Hague Rules or any legislation making such Rules compulsorily applicable (such as COGSA or COGWA) to this Bill of Lading apply, the Carrier shall not, unless a declared value has been notice in accordance with (C) below, be or become liable for any loss or damage to or in connection with the Goods in an amount per package or shipping unit in excess of the package or shipping unit limitation as laid down by such Rules or legislation. Such limitation amount according to COGSA is US\$500 and according to COGWA is Can \$500. If no limitation amount is applicable under such Rules or legislation, the limitation shall be US\$500.

Commented [GW1]:

##### (C) Ad Valorem: Declared Value of Package or Shipping Unit

The carrier's liability may be increased to a higher value by a declaration in writing of the value of the Goods by the shipper upon delivery to the Carrier of the Goods for shipment, such higher value being inserted on the front of this Bill of Lading in the space provided and, if required by the Carrier, extra freight paid. In such case, if the actual value of the Goods shall exceed such declared value, the value shall nevertheless be deemed to be the declared value and the Carrier's liability, if any, shall not exceed the declared value and any partial loss or damage shall be adjusted pro rata on the basis of such declared value,

##### (D) Definition of Package or Shipping Unit

Where a Container is used to consolidate Goods and such Container is stuffed by the Carrier, the number of packages or shipping units stated on the face of this Bill of Lading in the box provided shall be deemed the number of packages or shipping units

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

(E) Rust, etc.

It is agreed that superficial rust, oxidation or any like condition due to moisture is not a condition of damage but is inherent to the nature of the Goods and acknowledgement of receipt of the Goods in apparent good order and condition is not a representation that such conditions of rust, oxidation or the like did not exist on receipt.

(F) Notice of Loss or Damage

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

(G) Time-bar

The Carrier shall be discharged of all liability unless suit is brought in the proper forum and written notice thereof received by the Carrier within nine months after delivery of the Goods or the date when the Goods should have been delivered. In the event that such time period shall be found contrary to any convention or law compulsorily applicable, the period prescribed by such convention or law shall then apply but in that circumstance only.

## 7. MERCHANTS RESPONSIBILITY

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

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

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

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

(5) The Merchant Shall be liable for the loss, damage, contamination; soiling, detention or demurrage before, during and after the Carriage of property (including, but not limited to, Containers) of the Carrier or any person or vessel (other than the Merchant) referred to in 5(2) above caused by the Merchant or any person acting on his behalf or for which the Merchant is otherwise responsible.

(6) The Merchant shall defend, indemnify and hold harmless the Carrier against any loss, damage, claim. Liability or expense whatsoever arising from any breach of the provisions of this clause 7 or from any cause in connection With the Goods for which the Carrier is not responsible.

## 8. CONTAINERS

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

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

(3) If a container has been stuffed by at on behalf of the Merchant.

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

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

(ii) caused by the unsuitability of the Goods for carriage in Containers:

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

only apply if the unsuitability or defective condition arose (a) without any want of due diligence on the part of the Carrier or (b) would have been apparent upon reasonable inspection by the Merchant at or prior to the time when the Container was stuffed;

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

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

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

#### 9. TEMPERATURE CONTROLLED CARGO

(1) The Merchant undertakes not to tender for transportation any Goods which require temperature control without previously giving written notice (and filling in the box on the front of this Bill of Lading has been prepared by the Merchant or a person acting on his behalf) of their nature and particular temperature range to be maintained and in the case of a temperature controlled Container stuffed by or on behalf of the Merchant further undertakes that the Container has been properly pre-cooled, that the Goods have been properly stuffed in the Container and that its thermostatic controls have been properly set by the Merchant before receipt of the Goods by the Carrier.

If the above requirements are not complied with the Carrier shall not be liable for any loss of or damage to the Goods caused by such non compliance.

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

#### 10. INSPECTION OF GOODS

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

#### 11. MATTERS AFFECTING PERFORMANCE

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

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

(B) without prejudice to the Carrier's right subsequently to abandon the Carriage under (A) above, continue the carriage.

In any event the Carrier shall be entitled to full Charges on Goods received for Carriage and the Merchant shall pay any additional costs resulting from the above mentioned circumstances.

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

## 12. METHODS AND ROUTE OF TRANSPORTATION

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

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

### 13. DECK CARGO (AND LIVESTOCK)

(1) Goods of any description whether containerised or not may be stowed on or under deck without notice to the Merchant and such stowages shall not be a deviation of whatsoever nature or degree. Subject to (2) below, such goods whether carried on deck or under deck shall participate in General Average and such Goods (other than livestock) shall be deemed to be within definition of Goods for the purposes of the Hague Rules or any legislation making such Rules or the Hague-Visby Rules compulsorily applicable (such as COGSA or COGWA) to this Bill of Lading.

(2) Goods (not being Goods stuffed in or on Containers other than open flats or pallets) which are stated on the front of this Bill of Lading to be carried on deck and which are so carried (and livestock, whether or not carried on deck) are carried without responsibility on the part of the Carrier for loss or damage of whatsoever nature arising during carriage by sea or inland waterway whether caused by unseaworthiness or negligence or any other cause whatsoever. The Merchant shall defend, indemnify and hold harmless the Carrier against all and any extra cost incurred for any reason whatsoever in connection with carriage of livestock.

### 14. DELIVERY OF GOODS

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

### 15. BOTH-TO-BLAME COLLISION

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

### 16. GENERAL AVERAGE

(1) The Carrier may declare General Average which shall be adjustable according to the York/Antwerp Rules of 1974 by at place at the option of the Carrier and the Amended Jason Clause as approved by BIMCO is to be considered as incorporated



herein and the Merchant shall provide such security as may be required by the Carrier in this connection.

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

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

#### 17. CHARGES

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

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

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

#### 18. LIEN

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

#### 19. VARIATION OF THE CONTRACT

No servant or agent 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 authorised or ratified in writing by a director or officer of the Carrier who has the actual authority of the Carrier to to waive or vary.

#### 20. PARTIAL INVALIDITY

If any provision in this Bill of Lading is held to be invalid or unenforceable by a Court or regulatory or self regulatory agency or body, such invalidity or unenforceability shall attach only to such provision, The validity of the remaining provisions shall not be

affected thereby and this Bill of Lading contract shall be carried out as if such invalid or unenforceable provision were not contained herein

**21. JURISDICTION LAW**

The contract evidenced by or contained in this Bill of Lading is governed by the law of Hong Kong and any claim or dispute arising hereunder or in connection herewith shall be determined by the Courts in Hong Kong and no other country.