

Credit Limit Application



OTI 022209NF

Full name of company:

Trading name (if different):

Registered office/ invoice address:

.....

..... Company registration number:

Bankers:

Statement address (if different from above):

.....

Telephone number: Email address:

Purchase Ledger Supervisor:

Nature of Business:

Credit limit requested \$..... Payment terms: 30 days from date of invoice.
All payments are made to: **Horizon International Cargo Inc,**
5422 W.Rosecrans
Hawthorne CA90250
USA

PLEASE SUPPLY A SPECIMEN OF YOUR COMPANY LETTERHEAD PAPER

I understand that, if this application is accepted:

1. A Credit account will be opened in our name for payment of freight and ancillary charges on our behalf
2. There will be no credit for Duty or Import Taxes paid on our behalf. We will put Horizon International Cargo Inc in funds before such goods are released to us.

I accept the terms and conditions (see attached) of the National Customs Brokers & Forwarders Association of America Inc (NCBFAA), which will apply to all transactions between our two companies.

No Insurance of goods will be effected except upon express written instructions, and customers are recommended to insure their goods. Horizon International Cargo Inc. supplies aging and trade data to Credit Agency. Late payment of the invoice could reflect negatively on your company's Credit Report.

Signed: Date:

Position:

Please return to:



Horizon International Cargo Inc,
5422 West Rosecrans Ave. 2nd Floor
Hawthorne CA90250
yo°

Internal use only: - Authorization
Credit limit approved:
Date:
By whom:

Form sent by originator:

TERMS AND CONDITIONS

NCBFAA Terms & Conditions of Service

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

1. Definitions.

- (a) "Company" shall mean Horizon International Cargo Inc., its subsidiaries, related companies, agents and/or representatives;
- (b) "Customer" shall mean the person for which the Company is rendering service, as well as its principals, agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, consignees, etc. It is the responsibility of the Customer to provide notice and copy(s) of these terms and conditions of service to all such agents or representatives;
- (c) "Documentation" shall mean all information received directly or indirectly from Customer, whether in paper or electronic form;
- (d) "Ocean Transportation Intermediaries" ("OTI") shall include an "ocean freight forwarder" and a "non-vessel operating carrier";
- (e) "Third parties" shall include, but not be limited to, the following: carriers, truckmen, cartmen, lightermen, forwarders, OTIs, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise".

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

3. Limitation of Actions.

(a) Unless subject to a specific statute or international convention, all claims against the Company for a potential or actual loss, must be made in writing and received by the Company, within 30 days of the event giving rise to claim; the failure to give the Company timely notice shall be a complete defense to any suit or action commenced by Customer.

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

- (i) For claims arising out of ocean transportation, within 1 year from the date of the loss;
- (ii) For claims arising out of air transportation, within 1 year from the date of the loss;
- (iii) For claims arising out of the preparation and/or submission of an import entry(s), within 30 days from the date of liquidation of the entry(s);
- (iv) For any and all other claims of any other type, within 1 years from the date of the loss or damage.

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

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

6. Reliance On Information Furnished.

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

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

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

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

9. Disclaimers; Limitation of Liability.

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

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

(c) In the absence of additional coverage under (b) above, the Company's liability shall be limited to the following:

- (i) where the claim arises from activities other than those relating to customs business, \$20.00 per shipment or transaction, or
- (ii) where the claim arises from activities relating to "Customs business," \$100.00 per entry or the amount of brokerage fees paid to Company for the entry, whichever is less;

(d) In no event shall Company be liable or responsible for consequential, indirect, incidental, statutory or punitive damages, even if it has been put on notice of the possibility of such damages, or for the acts of third parties.

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

11. Indemnification/Hold Harmless. The Customer agrees to indemnify, defend, and hold the Company harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of customers merchandise and/or any conduct of the Customer, including but not limited to the inaccuracy of entry, export or security data supplied by Customer or its agent or representative, which violates any Federal, State and/or

other laws, and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims, penalties, fines and/or expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at its address on file with the Company.

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

13. Costs of Collection. In any dispute involving monies owed to Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 1% per annum or the highest rate allowed by law, whichever is less unless a lower amount is agreed to by Company.

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

(a) Company shall have a general and continuing lien on any and all property of Customer coming into Company's actual or constructive possession or control for monies owed to Company with regard to the shipment on which the lien is claimed, a prior shipment(s) and/or both;

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

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

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

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

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

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

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

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

21. Severability. In the event any Paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in Full force and effect.

Company's decision to waive any provision herein, either by conduct or otherwise, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.

22. Governing Law; Consent to Jurisdiction and Venue.

These terms and conditions of service and the relationship of the parties shall be construed according to the laws of the State of California without giving consideration to principles of conflict of law.

Customer and Company

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

NCBFAA COMBINED TRANSPORT BILL OF LADING

Notwithstanding the heading "Combined Transport Bill of Lading," the provisions set out and referred to in this document shall also apply if the transport as described on the face of the Bill of Lading is performed by one mode of transport only.

1. CLAUSE PARAMOUNT: All carriage under this Bill of Lading to or from the United States shall have effect subject to the provisions of the Carriage of Goods by Sea Act of the United States, 46 U.S.C. sections 1300-1315 (hereafter, "COGSA"). All carriage to and from other States shall be governed by the law of any state making the Hague Rules or Hague-Visby Rules compulsorily applicable to this Bill of Lading or if there be no such law, in accordance with the Hague Rules. The provisions of applicable law as set forth above shall apply to carriage of goods by inland waterways and reference to carriage by sea in such Rules or legislation shall be deemed to include reference to inland waterways. Except as may be otherwise specifically provided herein, said law shall govern before the goods are loaded on and after they are discharged from the vessel whether the goods are carried on deck or under deck and throughout the entire time the goods are in the custody of the carrier.

2. DEFINITIONS:

- 2.1 "Ship" means the vessel named in this Bill of Lading, or any conveyance owned, chartered, towed or operated by Carrier or used by Carrier for the performance of this contract.
- 2.2 "Carrier" means HORIZON INTERNATIONAL CARGO INC. on whose behalf this Bill of Lading has been signed.
- 2.3 "Merchant" includes the Shipper, the Receiver, the Consignor, the Consignee, the Holder of this Bill of Lading and any person having a present or future interest in the Goods or any person acting on behalf of any of the above-mentioned persons.
- 2.4 "Package" is the largest individual unit of partially or completely covered or contained cargo made up by or for the Shipper which is delivered and entrusted to Carrier, including palletized units and each container stuffed and sealed by the Shipper or on its behalf, although the Shipper may have furnished a description of the contents of such sealed container on this bill of lading.
- 2.5 "Container" includes any container, trailer, transportable tank, lift van, flat, pallet, or any similar article of transport used to consolidate goods.
- 2.6 "Carrier's container or carrier's equipment" includes containers or equipment owned, leased or used by Carrier in the transportation of Merchant's goods.
- 2.7 "Goods" mean the cargo described on the face of this Bill of Lading and, if the cargo is packed into container(s) supplied or furnished by or on behalf of the Merchant, include the container(s) as well.

3. SUBCONTRACTING: Carrier shall be entitled to subcontract directly or indirectly on any terms the whole or any part of the handling, storage, or carriage of the goods and all duties undertaken by Carrier in relation to the goods. Every servant, agent, subcontractor (including sub-subcontractors), or other person whose services have been used to perform this contract shall be entitled to the rights, exemptions from, or limitations of, liability, defenses and immunities set forth herein. For these purposes, Carrier shall be deemed to be acting as agent or trustee for such servants, agents, subcontractors, or other persons who shall be deemed to be parties to this contract.

4. ROUTE OF TRANSPORT: Carrier is entitled to perform the transport in any reasonable manner and by any reasonable means, methods and routes. The Ship shall have the liberty, either with or without the goods on board, to at any time, adjust navigational instruments, make trial trips, dry dock, go to repair yards, shift berths, take in fuel or stores, embark or disembark any persons, carry contraband and hazardous goods, sail with or without pilots and save or attempt to save life or property. Delays resulting from such activities shall not be deemed a deviation.

5. HINDRANCES AFFECTING PERFORMANCE:

- 5.1 Carrier shall use reasonable endeavors to complete transport and to deliver the goods at the place designated for delivery.
- 5.2 If at any time the performance of this contract as evidenced by this Bill of Lading in the opinion of Carrier is or will be affected by any hindrance, risk, delay, injury, difficulty or disadvantage of any kind, including strike, and if by virtue of the above it has rendered or is likely to render it in any way unsafe, impracticable, unlawful, or against the interest of Carrier to complete the performance of the contract, Carrier, whether or not the transport is commenced, may without notice to Merchant elect to: (a) treat the performance of this contract as terminated and place the goods at Merchant's disposal at any place Carrier shall deem safe and convenient, or (b) deliver the goods at the place of delivery. In any event, Carrier shall be entitled to, and Merchant shall pay, full freight for any goods received for transportation and additional compensation for extra costs and expenses resulting from the circumstances referred to above.
- 5.3 If, after storage, discharge, or any actions according to sub-part 5.2 above Carrier makes arrangements to store and/or forward the goods, it is agreed that he shall do so only as agent for and at the sole risk and expense of Merchant without any liability whatsoever in respect of such agency.
- 5.4 Carrier, in addition to all other liberties provided for in this Article, shall have liberty to comply with orders, directions, regulations or suggestions as to navigation or the carriage or handling of the goods or the ship howsoever given, by any actual or purported government or public authority, or by any committee or person having under the terms of any insurance on the Ship, the right to give such order, direction, regulation, or suggestion. If by reason of and/or in compliance with any such order, direction, regulation, or suggestions, anything is done or is not done the same shall be deemed to be included within the contract of carriage and shall not be a deviation.

6. BASIC LIABILITY:

- 6.1 Carrier shall be liable for loss of or damage to the goods occurring between the time when it takes goods into its custody and the time of delivery but shall not be liable for any consequential or special damages arising from such loss or damage.
- 6.2 If it is established that the loss of or damage to the goods occurred during sea carriage or during carriage by land in the United States, liability shall be governed by the legal rules applicable as provided in Section 1 of this Bill of Lading.
- 6.3 Notwithstanding Section 1 of this Bill of Lading, if the loss or damage occurred outside of the United States not during sea carriage and it can be proved where the loss or damage occurred, the liability of Carrier in respect of such loss or damage shall be determined by the provisions contained in any international convention or national law, which provisions: cannot be departed from by private contract to the detriment of Merchant, and would have applied if Merchant had made a separate and direct contract with Carrier in respect of the particular stage of transport where the loss or damage occurred and received as evidence. Thereof any particular document which must be issued in order to make such international convention or national law applicable.
- 6.4 If it cannot be determined when the loss of or damage to the goods occurred, liability shall be governed as provided in Section 6.2 above.
- 6.5 Carrier does not undertake that the goods shall be delivered at any particular time or for any particular market and shall not be liable for any direct or indirect losses caused by any delay.
- 6.6 Carrier shall not be liable for any Toss or damage arising from:
 - (a) an act or omission of Merchant or person other than Carrier acting on behalf of Merchant from whom Carrier took the goods in charge,
 - (b) compliance with the instructions of any person authorized to give them,
 - (c) handling, loading, stowage or unloading of the goods by or on behalf of Merchant,
 - (d) inherent vice of the goods or concealed damage to or shortage of goods packed by Merchant,
 - (e) lack or insufficiency of or defective condition of packing in the case of goods, which by their nature are liable to wastage or damage when not packed or when not properly packed,
 - (f) insufficiency or inadequacy of marks or numbers on the goods, coverings or unit loads,
 - (g) fire, unless caused by actual fault or privity of Carrier,
 - (h) any cause or event which Carrier could not avoid and the consequences of which he could not prevent by the exercise of due diligence.
- 6.7 When Carrier pays claims to Merchant, Carrier shall automatically be subrogated to all rights of Merchant against all others, including Inland Carriers, on account of the losses or damages for which such claims are paid.
- 6.8 The defenses and limits of liability provided for in this Bill of Lading shall apply in any action or claim against Carrier relating to the goods, or the receipt, transportation, storage or delivery thereof, whether the action be founded in contract, tort or otherwise.

7. COMPENSATION FOR LOSS AND DAMAGE:

- 7.1 Unless otherwise mandated by compulsorily applicable law, Carrier's liability for compensation for loss of or damage to goods shall in no case exceed the amount of US\$500 per package or per customary freight unit, unless Merchant, with the consent of Carrier, has declared a higher value for the goods in the space provided on the front of this Bill of Lading and paid extra freight per Carrier's tariff, in which case such higher value shall be the limit of Carrier's liability. Any partial loss or damage shall be adjusted pro rata on the basis of such declared value. Where a container is stuffed by Shipper or on its behalf, and the container is sealed when received by Carrier for shipment, Carrier's liability will be limited to US\$500 with respect to the contents of each such container, except when the Shipper declares the value on the face hereof and pays additional charges on such declared value as stated in Carrier's tariff. The freight charged on sealed containers when no higher valuation is declared by the Shipper is based on a value of US\$500 per container. However, Carrier shall not, in any case, be liable for an amount greater than the actual loss to the person entitled to make the claim. Carrier shall have the option of replacing lost goods or repairing damaged goods.
- 7.2 In any case where Carrier's liability for compensation may exceed the amounts set forth in Section 7.1 above, compensation shall be calculated by reference to the value of the goods, according to their current market price, at the time and place they are delivered, or should have been delivered, in accordance with this contract.
- 7.3 If the value of the goods is less than US\$500 per package or per customary freight unit, their value for compensation purposes shall be deemed to be the invoice value, plus freight and insurance, if paid.
- 7.4 Carrier shall not be liable to any extent for any loss of or damage to or in connection with precious metals, stones, or chemicals, jewelry, currency, negotiable instruments, securities, writings, documents, works of art, curios, heirlooms, or any other valuable goods, including goods having particular value only for Merchant, unless the true nature and value of the goods have been declared in writing by Merchant before receipt of the goods by the Carrier or Inland Carrier, the same is inserted on the face of this Bill of Lading and additional freight has been paid as required.
- 7.5 Carrier will not arrange for insurance on the goods except upon express instructions from the Consignor and then only at Consignor's expense and presentation of a declaration of value for insurance purposes prior to shipment.

8. DESCRIPTION OF GOODS AND INFORMATION FOR U.S. CUSTOMS: Carrier is responsible for transmitting information to U.S. Customs and Border Protection prior to lading of the Goods including, without limitation, precise commodity descriptions, numbers and quantities of the lowest external packaging unit, the shipper's complete name and address, the consignee's or the owner's or owner's representative's complete name and address, hazardous materials codes, and container seal numbers. For this, and other purposes, Carrier relies on information provided by Merchant in a timely fashion. Merchant warrants to Carrier that all particulars of the goods, including, without limitation, the precise descriptions, marks, number, quantity, weight, seal numbers, identities of shipper and consignee and hazardous materials codes furnished by Merchant are correct and Merchant shall indemnify Carrier against all claims, penalties, losses or damages arising from any inaccuracy.

9. CARRIER'S CONTAINERS: If goods are not received by Carrier already in containers, Carrier may pack them in any type container. Merchant shall be liable to Carrier for damage to Carrier's containers or equipment if such damage occurs while such equipment is in control of Merchant or his agents. Merchant indemnifies Carrier for any damage or injury to persons or property caused by Carrier's containers or equipment during handling by or when in possession or control of Merchant.

10. CONTAINER PACKED BY MERCHANT: If Carrier receives the goods already packed into containers:

- 10.1. This Bill of Lading is prima facie evidence of the receipt of the particular number of containers set forth, and that number only. Carrier accepts no responsibility with respect to the order and condition of the contents of the containers;
- 10.2. Merchant warrants that the stowage and seals of the containers are safe and proper and suitable for handling and carriage and indemnifies Carrier for any injury, loss or damage caused by breach of this warranty;
- 10.3. Delivery shall be deemed as full and complete performance when the containers are delivered by Carrier with the seals intact; and
- 10.4. Carrier has the right but not the obligation to open and inspect the containers at any time without notice to Merchant, and expenses resulting from such inspections shall be borne by Merchant; and
- 10.5. Merchant shall inspect containers before stuffing them and the use of the containers shall be prima facie evidence of their being sound and suitable for use.

11. DANGEROUS GOODS:

- 11.1. Merchant may not tender goods of a dangerous nature without written application to Carrier and Carrier's acceptance of the same. In the application, Merchant must identify the nature of the goods with reasonable specificity as well as the names and addresses of the shippers and consignees.
- 11.2. Merchant shall distinctly and permanently mark the nature of the goods on the outside of the package and container in a form and manner as required by law and shall submit to Carrier or to the appropriate authorities all necessary documents required by law or by Carrier for the transportation of such goods.
- 11.3. If the goods subsequently, in the judgment of Carrier, become a danger to Carrier, the Ship, or other cargo, Carrier may dispose of the goods without compensation to Merchant and Merchant shall indemnify Carrier for any loss or expenses arising from such action.
- 12. DECK CARGO:** Carrier has the right to carry the goods in any container under deck or on deck. Carrier is not required to note "on deck stowage" on the face of this Bill of Lading and goods so carried shall constitute under deck stowage for all purposes including General Average. Except as otherwise provided by any law applicable to this contract, if this Bill of Lading states that the cargo is stowed on deck, then Carrier shall not be liable for any nondelivery, misdelivery, delay or loss to goods carried on deck, whether or not caused by Carrier's negligence or the ship's unseaworthiness.
- 13. SOLAS WEIGHT CERTIFICATION:** Merchant acknowledges that it is required to provide verified weights obtained on calibrated, certified equipment of all cargo that is to be tendered to steamship lines. Shipper agrees that Carrier is entitled to rely on the accuracy of such weights and to counter-sign or endorse it as Carrier's own certified weight to the steamship line carrying the cargo. The

Merchant agrees that it shall indemnify and hold the Carrier harmless from any and all claims, losses, penalties or other costs resulting from any incorrect or questionable verification of the weight provided by Merchant or its agent or contractor on which the Carrier relies.

14. HEAVY LIFT:

14.1 Single packages with a weight exceeding 2,240 pounds gross not presented to Carrier in enclosed containers must be declared in writing by Merchant before receipt of the packages by Carrier. The weight of such packages must be clearly and durably marked on the outside of the package in letters and figures not less than two inches high.

14.2 If Merchant fails to comply with the above provisions, Carrier shall not be liable for any loss of or damage to the goods, persons or property, and Merchant shall be liable for any loss of or damage to persons or property resulting from such failure and Merchant shall indemnify Carrier against any loss or liability suffered or incurred by Carrier as a result of such failure.

14.3 Merchant agrees to comply with all laws or regulations concerning overweight containers and Merchant shall indemnify Carrier against any loss or liability suffered or incurred by Carrier as a result of Merchant's failure to comply with such laws or regulations.

15. DELIVERY: Carrier shall have the right to deliver the goods at any time at any place designated by Carrier within the commercial or geographic limits of the port of discharge or place of delivery shown in this Bill of Lading. Carrier's responsibility shall cease when delivery has been made to Merchant, any person authorized by Merchant to receive the goods, or in any manner or to any other person in accordance with the custom and usage of the port of discharge or place of delivery. If goods should remain in Carrier's custody after discharge from the ship and possession is not taken by Merchant, after notice, within the time allowed in Carrier's applicable tariff, the goods may be considered to have been delivered to Merchant or abandoned at Carrier's option, and may be disposed of or stored at Merchant's expense.

16. NOTICE OF CLAIM: Written notice of claims for loss of or damage to goods occurring or presumed to have occurred while in the custody of Carrier must be given to Carrier at the port of discharge before or at the time of removal of the goods by one entitled to delivery. If such notice is not provided, removal shall be prima facie evidence of delivery by Carrier. If such loss or damage is not apparent, Carrier must be given written notice within 3 days of the delivery.

17. FREIGHT AND CHARGES:

17.1 Freight may be calculated on the basis of the particulars of the goods furnished by Merchant, who shall be deemed to have guaranteed to Carrier the accuracy of the contents, weight, measure, or value as furnished by him at the time of receipt of the goods by the Carrier or Inland Carrier, but Carrier for the purpose of ascertaining the actual particulars may at any time and at the risk and expense of Merchant open the container or package and examine contents, weight, measure, and value of the goods. In case of incorrect declaration of the contents, weight, measure and or value of the goods, Merchant shall be liable for and bound to pay to Carrier: (a) the balance of freight between the freight charged and that which would have been due had the correct details been given, plus (b) expenses incurred in determining the correct details, plus (c) as liquidated and ascertained damages, an additional sum equal to the correct freight. Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges given by Carrier to Merchant are for informational purposes only and are subject to change without notice and shall not under any circumstances be binding upon Carrier unless Carrier in writing specifically undertakes the handling of transportation of the shipment at a specific rate and that rate is filed in Carrier's tariff.

17.2 Freight shall be deemed earned on receipt of goods by Carrier, the goods lost or not lost, whether the freight is intended to be prepaid or collected at destination. Payment shall be in full and in cash without any offset, counterclaim, or deduction, in the currency named in this Bill of Lading, or another currency at Carrier's option. Interest at 1% per month shall run from the date when freight and charges are due. Payment of freight charges to a freight forwarder, broker or anyone other than directly to Carrier shall not be deemed payment to the Carrier. Merchant shall remain liable for all charges hereunder notwithstanding any extension of credit to the freight forwarder or broker by Carrier. Full freight shall be paid on damaged or unsound goods.

17.3 Merchant shall be liable for all dues, fees, duties, fines, taxes and charges, including consular fees, levied on the goods. Merchant shall be liable for return freight and charges on the goods if they are refused export or import by any government. Merchant shall be liable for all demurrage, detention or other charges imposed on the goods or their containers by third parties.

17.4 The Shipper, consignee, holder hereof, and owner of the goods, and their principals, shall be jointly and severally liable to Carrier for the payment of all freight and charges, including advances and shall, in any referral for collection or action for monies due to Carrier, upon recovery by Carrier, pay the expenses of collection and litigation, including reasonable attorneys' fees. This provision shall apply regardless of whether the front of this bill of lading has been marked "prepaid" or "freight prepaid" so long as freight and charges remain unpaid.

17.5 The Shipper, consignee, holder hereof, and owner of the goods, and their principals, shall jointly and severally indemnify Carrier for all claims, fines, penalties, damages, costs and other amounts which may be incurred or imposed upon Carrier by reason of any breach of any of the provisions of this Bill of Lading or of any statutory or regulatory requirements.

18. LIEN: Carrier shall have a general lien on any and all property (and documents relating thereto) of Merchant in its possession, custody or control or en route, for all claims for charges, expenses or advances incurred by Carrier in connection with this shipment, or any previous shipment, of Merchant, or both, and if such claim remains unsatisfied for 30 days after demand for its payment is made, Carrier may sell at public auction or private sale, upon 10 days written notice, registered mail to Merchant, the goods, wares and/or merchandise or so much as may be necessary to satisfy such lien and the costs of recovery, and apply the net proceeds of such sale to the payment of the amount due Carrier. Any surplus from such sale shall be transmitted to Merchant, and Merchant shall be liable for any deficiency in the sale.

19. TIME BAR: Carrier shall be discharged from all liability for loss of or damage to goods unless suit is brought within one (1) year after delivery of the goods or the date when the goods should have been delivered. Suit shall not be deemed brought against Carrier until jurisdiction shall have been obtained over Carrier by service of summons. The time bar for overcharge claims shall be 60 months.

20. JURISDICTION: The courts of United States District Court for the Central District of California shall have exclusive jurisdiction over any dispute arising from the carriage evidenced by this Bill of Lading. Merchant and Carrier each hereby agree to the personal jurisdiction of the forum having jurisdiction over their disputes under this clause. Except as otherwise provided in this Bill of Lading, the laws of the State of CALIFORNIA shall apply.

21. GENERAL AVERAGE:

20.1 General Average shall be adjusted at New York, or any other port at Carrier's option, according to the York-Antwerp Rules of 1994. The General Average statement shall be prepared by adjusters appointed by Carrier.

20.2 In the event of accident, damage, danger or disaster after commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for the consequence of which Carrier is not responsible by statute, contract or otherwise, Merchant shall contribute with Carrier in General Average to the payment of any sacrifice, loss or expense of a General Average nature that may be made or incurred, and shall pay salvage or special charges incurred in respect of the goods. If a salving vessel is owned or operated by Carrier, salvage shall be paid for as fully as if the salving vessel or vessels belonged to strangers.

22. BOTH-TO-BLAME COLLISION CLAUSE: If the ship comes into collision with another vessel as a result of negligence of the other vessel and any negligence or fault on the part of Carrier or its servants or subcontractors, Merchant shall indemnify Carrier against all loss or liability to the other or non-carrying vessel or her owners, insofar as such loss or liability represents loss of, or damage to, or any claim whatsoever of Merchant paid or payable by the other or non-carrying vessel or her owners to Merchant and set-off, recouped or recovered by the other or non-carrying vessel or her owners as part of their claim against the carrying ship or her owner. This provision shall apply as well where the owners, operators or those in charge of any ship or ships or objects other than, or in addition to, the colliding ships or objects are at fault with respect to a collision or contact.

23. CARRIERS' TARIFFS: The goods carried under this Bill of Lading are also subject to all the terms and conditions of tariff(s) published pursuant to the regulations of the United States Federal Maritime Commission or any other regulatory agency which governs a particular portion of the carriage and the terms are incorporated herein as part of the terms and conditions of this Bill of Lading. Copies of Carrier's tariffs may be obtained from Carrier or its agents or from Carrier's web-site, the address of which is set forth on the U.S. Federal Maritime Commission's web-site at www.fmc.gov. Carrier may enter into Negotiated Rate Arrangements with Merchant in lieu of publishing the applicable rates and charges for services provided in its rate tariff.

24. PERISHABLE CARGO:

24.1 Goods of a perishable nature shall be carried in ordinary containers without special protection, services or other measures unless there is noted on the reverse side of this Bill of Lading that the goods will be carried in a refrigerated, heated, electrically ventilated or otherwise specially equipped container or are to receive special attention in any way. Carrier shall not be liable for any loss of or damage to goods in a special hold or container arising from latent defects, breakdown, or stoppage of the refrigeration, ventilation or heating machinery, insulation, ship's plant, or other such apparatus of the vessel or container, provided that Carrier shall before or at the beginning of the transport exercise due diligence to maintain the special hold or container in an efficient state.

24.2 Merchant undertakes not to tender for transportation any goods that require refrigeration without given written notice of their nature and the required temperature setting of the thermostatic controls before receipt of the goods by Carrier. In case of refrigerated containers packed by or on behalf of Merchant, Merchant warrants that the goods have been properly stowed in the container and that the thermostatic controls have been adequately set before receipt of the goods by Carrier.

24.3 Merchant's attention is drawn to the fact that refrigerated containers are not designed to freeze down cargo which has not been presented for stuffing at or below its designated carrying temperature. Carrier shall not be responsible for the consequences of cargo tendered at a higher temperature than that required for the transportation.

24.4 If the above requirements are not complied with, Carrier shall not be liable for any loss of or damage to the goods whatsoever.

25. SEVERABILITY: The terms of this Bill of Lading shall be severable, and, if any part or term hereof shall be held invalid, such holding shall not affect the validity or enforceability of any other part or term hereof.

26. VARIATION OF THE CONTRACT: No servant or agent of Carrier shall have power to waive or vary any of the terms hereof unless such variation is in writing and is specifically authorized or ratified in writing by Carrier.