

STANDARD SHIPPING TERMS AND CONDITIONS

1. PACKING CONTAINERS

1.1. Containers Packed by Zentner Shipping (ZS)

All deliveries into ZS Warehouse must be accompanied with correct documentation, failure to provide a "Proforma Tax Invoice" or a "Statement of Contents Declaration" will result in ZS declining to receive goods into our warehouse.

The "Statement of Contents Declaration" must include the following:

- Supplier's name and physical address, not just a PO Box
- ABN number if goods are supplied by a Company
- Description of Goods – an actual description of goods, item/part/catalogue number will not be accepted
- Value of each item – by invoice line
- Consignee's name and address – for Cocos Island residence the house number must also be provided

It is the responsibility of the Shipper/Consignee to make sure that their supplier is aware of these requirements and provide the above information at the time of delivery. We will not accept any goods as a result of drivers waiting for documentation to be faxed to our office or if we refuse a delivery that does not have the correct documentation with the driver, when the goods are delivered into our warehouse. We do not recommend that Suppliers/Shippers fax or email the documentation to our office prior to the goods being delivered into our warehouse.

If documentation is received prior to the goods, there could be lengthy delays whilst ZS try and determine which invoice is for which goods that are trying to be delivered. It is better that the documentation accompanies the goods at the time of delivery, thus confirming the documents are for the actual goods received.

The delivery address must be clearly identifiable on the documentation and the goods will be delivered to the address shown on the documentation. If the address is incorrect, the Consignor will be responsible for all costs to redeliver the goods to the correct address. ZS will also levy a fee of \$65.00 to handle additional documentation as a result of redelivery of the goods. The address on the documentation will take preference to any address that has been marked on the packaging.

Deliveries into our warehouse must be made prior to the advertised "Close off Date", thus giving ZS sufficient time to mark all the goods, raise EDN's, pack containers, raise CRN's and confirm acceptance with Stevedores before ZS can book transport to deliver the containers to the wharf.

For all deliveries received after the advertised "Close off Date", no guarantee can be given that these goods will be shipped to the islands on the current voyage.

All goods delivered into ZS warehouse must be marked/labelled showing consignee's details and which Island the goods are to be shipped to. The marking/labelling should be on every item, must be clearly legible and must correlate with the details provided on the documentation received at time of the delivery.

Failure to provide the above may result in ZS declining to receive the goods into ZS warehouse. However, if the goods are received into ZS warehouse we will not be held responsible for any costs that could be incurred if the goods are shipped to the wrong island/address due to discrepancies between marking/labelling of goods and details on the documentation received.

ZS will not accept any costs including storage costs incurred as a result of:

- Declining to receive goods in ZS warehouse due to insufficient paperwork
- Received goods "missing" current voyage due to receipt after the "Close off Date", such costs will be to the Consignee's account

All goods shipped to Cocos (Keeling) Island and Christmas Island must be packaged in suitable boxes/cartons and wrapped (where applicable) in a manner suitable for loading into a container for sea freight. Glass/mirrors should be packed into timber crates, fragile goods should also be crated for sea freight. ZS will not accept or payout any claims for goods damaged during shipping to the islands. Consignees must take out separate insurance to cover for loss or damage of their goods during shipping to the islands.

During shipping any damages caused to goods as a result of improper wrapping and/or packaging will be the responsibility of the Consignee.

ZS reserves the right to refuse to accept any goods that are not wrapped and/or packed correctly for shipment, however, our acceptance does not imply that the goods are properly packed, nor does it imply that ZS will be responsible for any damages that could occur during shipment. All general goods delivered on pallets must be supplied on plain standard size pallets (1160 x 1160). ZS does not exchange CHEP or LOSCAM pallets. Refrigerated cargo must be on 1100 x 1100 pallets and cargo must be within the pallet border.

Where goods have been delivered into ZS warehouse stretch wrapped on pallets, the pallet will be packed into the container, as is, still stretched wrapped. ZS will not break down stretched wrapped pallets. ZS will endeavour to load another pallet above these stretched wrapped pallets, but only if the bottom pallet is clearly marked that it can be "double stacked". If not marked, or in ZS opinion, unsafe to double stack, the pallet will be shipped without another pallet "double stacked" on top of it.

ZS will only hand stack items above pallets if they have been received into ZS warehouse as loose items that are not stretch wrapped to a pallet. ZS will not "break down" pallets in order to provide "loose items", so that they can be hand stacked above pallets. If insufficient loose items have been received, then pallets will be shipped without having anything stacked on top of them.

Goods will only be accepted into ZS warehouse between advertised opening and closing times.

The Consignee will be charged for any lashing equipment purchased and used by ZS to secure their cargo. This not only applies to chains/binders and ratchet straps, but any special lashing equipment used to secure loads on bolsters, open top containers, flat racks, GP's, hi-cubes etc.

1.2 Containers Packed by Others

Where containers are packed by others, the Consignee must provide the following information to ZS:

- 1.2.1 Name/address of person/company who is responsible for payment of sea freight for shipping container(s) to the islands
- 1.2.2 "Statement of Contents Declaration" as described in Item 1.1
- 1.2.3 Copy of Forwarding Instructions to enable the container to be cleared by Customs and delivered to the Wharf
- 1.2.4 Container Weight Declaration, AMSA Compliant
- 1.2.5 MO41 Dangerous Goods form, if applicable

Containers packed by others will only be shipped as Full Container Loads (FCL). Empty containers will only be available to Consignee for packing 5 days prior to the ship's arrival in load port.

1.3 Container Weights

Gross Weight of Containers cannot exceed:

24 tonnes for Containers shipped to Christmas Island

18 tonnes for Containers shipped to Home Island at Cocos (Keeling) Island

18 tonnes for Containers shipped to West Island at Cocos (Keeling) Island

1.4 Bond Store

All goods delivered into ZS Bond store will be charged the following fees:

Prescribed Warehouse Goods (PWG) fee will be charged for all PWG deliveries made into ZS Bond store. The PWG fee is \$275.00 per delivery and will be invoiced with shipping and documentation costs.

Bond Store (BS) fee will be charged to all under bond deliveries made into ZS Bond store. The BS fee is \$450.00 per consignment and will be invoiced with shipping and documentation costs.

Bond Store Storage (BSS) fee will be charged for all deliveries made into ZS Bond store. This includes PWG and BS deliveries. Storage will commence upon receipt of goods into ZS Bond Store and will cease once goods have been packed into the container and the container has been delivered to the wharf, for shipment to the islands. BSS fee will be as per storage charges listed in the table in Clause 7.2.1 of these shipping Standard Terms and Conditions.

2. CONTAINER MANAGEMENT

2.1 Unpack and Return

All empty FCL containers shipped back to Fremantle must be off-hired within 10 calendar days after ship's arrival into Fremantle.

For FCL containers discharged at Cocos (Keeling) Island, the Consignee is solely responsible to ensure that all containers consigned to them are unpacked and available for back loading within 10 calendar days of ship's arrival at Cocos (Keeling) Island.

For FCL containers discharged at Christmas Island, the Consignee is solely responsible to ensure that all containers consigned to them are unpacked and delivered into our nominated depot within 10 calendar days of ship's arrival at Christmas Island.

Once the container has been unpacked the Consignee must email our agent at acker@pulau.cx with a copy to shipping@zentnershipping.com.au advising that the container is ready for collection and detailing the container number and location.

Until an email has been received at shipping@zentnershipping.com.au the container will be deemed to be still on hire.

From day 11 onwards, the container hire charges will be levied as per the table below:

DETENTION CHARGES	
Container Type	Daily Charge (AU\$)
20ft GP	\$40.00
20ft Open Top or Hi Cube	\$55.00
20ft Reefer	\$95.00
20ft Combi Reefer	\$110.00
20ft Bolster or 20ft Flat Rack	\$60.00
All other containers	Rates will be advised

Hire rate for 40ft containers will be double the rate for the equivalent 20ft container (see table rate above).

The Cut-off Date for off hiring empty containers on island is 10 days prior to the ship's next arrival on the island. For all containers off hired after the Cut-off date detention charges will continue to apply and accrue on a daily basis until the container has been back loaded onto the following voyage.

If the Consignee requests empty containers to be delivered to the wharf earlier than the above, the Consignee will be responsible for the payment of any wharf storage costs at the rate of \$125.00 per day.

2.2 Container Cleaning

It is solely the responsibility of the Consignee to make sure that all containers are cleaned, both internally and externally to Australian Biosecurity Inspection Service (AQIS) requirements before containers are picked up for back loading.

Once a container has been unpacked, the Consignee must ensure that the container has been swept out prior to back loading. A \$35.00 per container fee will be invoiced to all consignees if we have to sweep out containers upon return to Fremantle.

Consignee's must ensure that any fixings (e.g., Nails, screws etc.), dunnage or lashings used to secure goods inside a container are removed prior to return of the empty container for back loading.

The Consignee must also remove any stickers or signage which have been placed on any containers. If ZS have to remove stickers or signage, remove fastenings from the floors or remove dunnage and lashings from the empty containers then the Consignee will be charged a fee of \$125.00 per container to carry out the above additional works.

All containers shipped to the islands will be inspected by Biosecurity upon return to Fremantle. If any container is directed for washing or fumigation, then all associated costs will be invoiced to the shipper who last shipped the container to the island.

Costs to be invoiced to the shipper will include:

- Transport of the container to the wash or fumigation facility
- Washing or fumigation and re-inspection of the container
- A Facility Fee of \$135.00 per container

In addition to the above, the shipper will be invoiced Container Detention (as per Detention Charges in Clause 2.1 of these Terms and Conditions) for the additional time to wash or fumigate the container.

Detention time will be from when the container is collected from Fremantle Wharf to when the container is returned to ZS nominated depot.

2.3 Container Repairs

All empty containers released to the Consignee will be surveyed to ensure they are acceptable for use as shipping containers.

The Consignee will be responsible for any damage to the containers from the time released for shipping to time back loaded from the Islands and de-hired into ZS depot.

Where containers have been damaged, the Consignee will be responsible to pay for all costs associated with repairing the container. The container will be deemed to be on hire until the container has been repaired and ready for shipping of goods.

Open Top containers must be de-hired with the tarp, bows and tie-wire fully assembled. Any costs for replacing or making repairs to the tarp, bows or tie-wire will also be forwarded to the Consignee.

If the tarp has not been installed the Consignee will be charged \$325.00 for reinstallation of the tarp, bows and tie-wire to the container, the container will be deemed to be on hire until the tarp, bows and tie-wire have been installed.

2.4 Lashings

All costs to procure lashing equipment used to secure loads onto Flat Racks/Bolsters or inside GP's/Open Top/Hi Cube containers will be invoiced to the Consignee and will be an additional cost to the shipping rate quoted.

After use, all lashing equipment will become the property of ZS and handed over to the island agent for use/return to the mainland.

2.5 Container Hire

Containers shipped to the islands are primarily used to transport goods to/from the islands. With permission from ZS, containers may be hired on island for storage, once a "Container Hire Agreement" form has been completed and signed.

The above form is available from our island agent and must be accepted prior to taking delivery of the containers. No containers can be used without our permission.

All costs associated with the delivery of the container and returned to our nominated depot on the island will be the hirer's account.

Hire rates and conditions are as detailed in Clauses 2.1, 2.2 and 2.3 above. Containers are still deemed to be "on hire" until the containers have been back loaded onto our ship.

ZS will not be responsible for any costs whatsoever if goods are lost or damaged due to breakdown/failure of any reefers that are on hire. It is the hirer's responsibility to perform regular maintenance on reefers whilst on hire and carry out all/any repairs so that the reefers are in proper working condition. Once reefers have been de-hired, any costs incurred to repair the reefers and bring them back up to shipping standard will be to the hirer's account.

If containers are hired and intend to be shipped back as loaded containers, the hire period will terminate once the containers have been loaded onto the ship.

ZS will submit a complaint to the Australian Federal Police (AFP) and pursue prosecution on anyone found to be using ZS containers without our permission in writing. ZS will also seek compensation on the above by invoicing for the hire on the container at rates and conditions as detailed in Clause 2.1, 2.2 and 2.3. As well as normal hire rates, an additional surcharge of \$10.00 per container per day will also be invoiced where containers have been used without ZS permission.

3. SAILING DATES

Sailing dates shown in the "Sailing Schedule" are correct at time of publication.

Whilst any changes to the Sailing Schedule are regretted, ZS will not be held responsible for any costs that changes to the Sailing Schedule may cause.

ZS will endeavour to ship the goods on the first available voyage, however, ZS will not be liable for any costs, charges, expenses, loss or damage that the shipper may suffer or incur by reason of the goods being unable to be loaded onto the vessel due to lack of space on the vessel, adverse sea or weather conditions, or any other cause beyond ZS control or for which ZS are directly and solely responsible.

4. SHIPPING RATES

All quotations for sea freight are based on current tariffs and the quotation is valid for 30 days from date of quotation.

All rates/prices quoted exclude the payment of GST.

Breakbulk Cargo is charged on a Revenue Tonne (RT) basis with a minimum charge of 1RT per consignment.

For invoicing purposes - 1RT = 1m³ or 1 tonne whichever is the greatest.

Loose Cargo Load (LCL) is charged on a cubic meter basis with a minimum charge of \$30.00 per consignment into ZS warehouse. All LCL goods must be able to be packed into a 20ft GP container.

For invoicing purposes LCL costs will be calculated from volume or weight whichever is the greatest.

In calculating costs ZS assume that 1m³ = 0.6 tonne. In the case of heavy consignments, ZS will convert the weight into volume based on the above equation.

All goods are subject to re-measurements when received in ZS warehouse.

A Documentation Fee of either \$75.00/LCL consignment or \$250.00/FCL or Breakbulk shipment will be levied against all shipments received into ZS warehouse or \$450.00/container for FCL's packed by shipper/agent.

Unless specified in our quote, all prices quoted for shipping goods to the islands will exclude delivery of the goods on the islands.

5. INSURANCE

Zentner Shipping Pty Ltd are not common carriers.

The consignee must take out their own necessary insurance to cover for loss/damage to their goods from the time goods are delivered in ZS possession to time the goods are delivered into consignee's or their representation possession.

ZS require that the consignee take out insurance cover for any reefer goods shipped to/from the islands.

ZS reserve the right to refuse to pack/ship reefer goods that have not been insured and ZS will not accept any costs from the consignee as a result of the above refusal.

Insurance for reefer goods should cover for any loss damaged as a result of mechanical breakdown of reefer failure of power supply to reefer or any other reason.

If goods are lost or damaged during shipment, the consignee is still responsible to pay ZS for the shipping costs of the above goods to/from the islands as well as any other associated costs.

For FCL containers, the consignee should take out necessary insurance to cover costs from ZS that could result from loss/damage to container and loss/damage to lashing equipment used to secure goods to container.

It is the responsibility of the consignee to insure cargo for whatever reason is necessary during the shipment of goods to/from the islands.

ZS will not compensate the consignee for any costs they incur as a result of loss/damage to their goods whilst in the process of shipping to/from the islands.

6. LOSS OR DAMAGE

Any alleged loss or damage of or to goods must be reported in writing with photos to ZS within 10 days of discharge of containers. Any report received after this period will not be considered.

ZS will investigate all reports of alleged loss or damage (received within the 10 day period) and provide the consignee with a written response.

ZS will accept no responsibility and will not pay any costs whatsoever as a result of loss or damage to goods.

It is up to the consignee to ensure their goods are insured for loss or damage from the time the goods are delivered into ZS warehouse to time when the goods are received on the island.

All consignees should note Item 5 "Insurance" and Item 9 "General Disclaimer".

7. PAYMENT

All shipping costs will be invoiced to the consignee unless otherwise advised and agreed in writing.

ZS will invoice the consignee a re-documentation fee of \$65.00, if ZS is requested by the consignee to invoice another party for the costs of shipping the goods to the island.

Unless otherwise agreed in writing, ZS requires that all invoices for shipping goods to/from the islands, or any other service provided by ZS, must be received and cleared into ZS nominated bank account before the goods will be released.

Failure to make payment as per the payment terms on the invoice could result in additional charges, including, but not limited to Interest Claims (see clause 7.6 of these Terms and Conditions), Detention Costs (see Clause 2.1 of these Terms and Conditions) and Storage Costs (see Clause 7.2 of these Terms and Conditions).

7.1 Freight to Christmas and Cocos (Keeling) Islands

Unless otherwise agreed in writing, ZS requires that full payment for sea freight and all other costs must be made prior to ships arrival at destination port.

Once containers arrive at Christmas or Cocos (Keeling) Island:

- ZS provide 3 days free storage of containers on the wharf/yard, after this period storage costs of \$125.00 per container per day will be incurred.
- ZS provide 4 days free storage of LCL goods, after this period storage costs as per table in Clause 7.2.1 will apply.

All storage costs will have to be paid in full prior to releasing containers or LCL goods from the wharf/storage yard/unpacking facility.

7.2 Freight from Christmas and Cocos (Keeling) Islands

7.2.1 Cargo Unpacked at Zentner Shipping Bond Store

Unless otherwise agreed in writing ZS requires that full payment for sea freight/and all other costs must be paid prior to release of goods from ZS Bond Store.

ZS allows for 4 business days of free storage for returned goods in ZS Bond Store.

- For cases where shippers elect to clear their returned goods or have another party clear their goods note that storage charges will commence on day 5 **after goods have been unpacked from the container** in ZS Bond Store.
- For cases where the consignee arranges for ZS to clear their returned goods, please note the following:
 - (a) Where the consignee has provided all documentation prior to ships arrival into Fremantle necessary for Customs/Biosecurity release, storage charges will commence on day 5 **after the goods are released by Customs/Biosecurity.**
 - (b) Where the consignee has not provided all documentation prior to the ship arrival into Fremantle, or returned goods have been directed by Biosecurity for additional cleaning, storage charges will commence on day 8 **after the goods have been unpacked from the container** into ZS Bond Store.

Storage charges will apply as per table below for all goods still in ZS Bond Store after day 4 “free storage” period expires.

Storage Charges	\$25.00 per day per cubic metre per day
Minimum Charge	\$150.00 per week, or part thereof
Vehicle Storage Charge	\$50.00 per day, or part thereof
Trucks, other large vehicles	\$110.00 per day, or part thereof
Containers	\$65.00 per day per TEU, or part thereof
Out of Gauge Loads	\$110.00 per day, or part thereof

Returned goods will continue to incur storage costs until all costs including storage charges have been paid in full.

Returned goods unpacked into ZS Bond Store and cleared by the consignee or their agent will be subject to Bond Store Fees as per Clause 1.4.

Where storage costs have not been paid after a 6 month period, ZS will sell goods in order to recover any monies owed.

7.2.2 Full Cargo Load (FCL) Cargo Unpacked by Consignor or Agent

Unless otherwise agreed in writing, ZS requires that full payment for sea freight and all other costs must be made prior to release of container(s) from the wharf.

ZS will provide 3 days free storage of containers on the wharf, after this period, storage costs of \$125.00 per day will be incurred.

All storage costs will have to be paid in full prior to releasing containers from the wharf.

Containers collected from the wharf by the consignor or agent are to be dehiere d at ZS nominated depot within 10 days of ships arrival at destination point. If the containers are not dehiere d within this time detention charges as per the table in Clause 2.1 will be levied.

7.3 Shipping of Machinery

Unless otherwise agreed in writing ZS requires that full payment for sea freight and all other costs must be made prior to release of machinery.

The shipper must supply a GA drawing and scale model of each item of machinery to be shipped to either Christmas or Cocos (Keeling) Islands. Each item of machinery must have lifting/lashing points and Centre of Gravity (COG) clearly marked on the machinery. Machinery will be stowed either above or below ships deck at ship Master's discretion.

All machinery shipped to or from Christmas or Cocos (Keeling) Islands must be cleaned to AQIS Import Permit Conditions prior to delivery of the machinery to the wharf/ship.

If AQIS order the machinery in for additional cleaning, this will be done at an AQIS approved facility adjacent to the wharf by an AQIS approved cleaning contractor.

As per the Import Permit conditions partial or full dismantling may be required to facilitate the cleaning and inspection process. To enable AQIS to grant a release for any machinery, all areas must be accessible at the time of inspection.

If the machinery has to be partially/fully dismantled, it will be the shipper's responsibility to reassemble the machinery at the shipper's own cost. ZS will not accept any claim or be responsible for any costs whatsoever if the machinery and/or parts are lost or damaged during dismantling/cleaning operations.

All other costs associated with the delivery of machinery to AQIS approved facility, partial/full dismantling, cleaning, storage, inspection, transport, crane hire and/or

any other work necessary to enable AQIS to grant a release will be to the shipper's account.

ZS will raise an invoice to the shipper for all the above costs and payment must be made in full prior to the release of the machinery. If the invoice is not paid immediately, storage charges as per Clause 7.5 will apply.

If the owner/shipper/consignee believes that loss or damage has occurred to the machinery, then they will have to make a claim for compensation directly against the cleaning contractor.

ZS will assist but will not be liable for any costs as ZS only act as the owners/shipper/consignee's agent in order to expedite the release of the machinery through AQIS/Customs.

7.4 Late Payment

ZS reserves the right to immediately terminate all credit facilities and requires payment in advance for all future shipments made by consignee's who do not pay ZS invoices by the due date.

ZS will have no liability for loss or damage that may be suffered or costs that may be incurred as a result of goods missing a voyage as a result of consignee's not making payments on time.

THE SHIPPER GRANTS ZENTNER SHIPPING PTY LTD A LIEN OVER ANY GOODS IN ZENTNER SHIPPINGS POSSESSION TO SECURE PAYMENT OF ANY OUTSTANDING PAYMENTS WHETHER OR NOT SUCH PAYMENTS RELATE TO THE GOODS SO HELD, AND WILL PAY STORAGE CHARGES FOR ALL GOODS SO HELD PURSUANT TO CLAUSE 7.4.

7.5 Storage

The consignee will be liable for payment of storage costs for all their goods stored in ZS warehouse or elsewhere and whether as a result of their goods not being shipped to the island or being held subject to ZS lien pursuant to Clauses 1.1, 7.2 and 7.3.

Storage costs are detailed in Clause 7.2.1.

ZS will not be liable in anyway whatsoever as a result of the consignee's goods being lost or damaged whilst stored in ZS warehouse or at ZS direction during which time the goods will be at the consignee's sole risk.

The consignee should therefore take out their own insurance to cover for the loss/damage of their goods whilst stored in ZS warehouse.

7.6 Action to Recover Monies Owed

The shipper will compensate ZS all court costs, all legal costs and any other costs incurred as a result of ZS having to take action to recover monies owed.

The shipper will pay interest at a rate of 13.5% on all monies owed from the time due to time actually paid.

7.7 Goods and Services Provided by Others

If ZS is required to supply goods or services which are not part of the quoted rates, the cost of these good or services will be recovered at a cost plus 15%.

8. BIOSECURITY REQUIREMENTS

Goods shipped to or from Christmas or Cocos (Keeling) Islands must be to AQIS requirements and standards prior to delivery to ZS. Any costs incurred as a result of complying with AQIS order/directions for the shipped goods will be to the consignee's account.

9. CUSTOMS REQUIREMENTS

For goods shipped back from the islands no allowance has been made for payment of Duty/GST which may be applicable, and if so, will be paid by the shipper prior to the goods being released.

10. BILL OF LADING

All FCL containers and/or breakbulk shipped to and from Christmas or Cocos (Keeling) Islands are subject to the Terms and Conditions stated on the carrier's Bill of Lading (BOL). The BOL will be available for collection by each consignee upon ship's departure.

11. DANGEROUS GOODS

All Dangerous Goods to be shipped (as defined in IMDG code) must be reported to ZS prior into delivery to ZS warehouse. Goods must be clearly marked and packed to IMDG Standards with all necessary documentation.

A Hazardous Surcharge will be levied against each consignment of dangerous/hazardous goods shipped to/from the islands.

Surcharges will be based on volume of dangerous/hazardous good shipped.

- Where the volume of dangerous/hazardous goods is less than 1m³ per 1 tonne a surcharge of \$850.00 per consignment will apply.
- Where the volume of dangerous/hazardous goods is greater than 1m³ per 1 tonne a surcharge of \$2,750.00 per container will apply.

No dangerous goods will be received into ZS warehouse unless all necessary and required documentation is supplied with the consignment.

Penalties will apply for not declaring dangerous goods, please refer to Conline Bill 2016 Clause 10 (e) on page 17 of this document.

12. BREAKBULK CARGO

The rate charged for breakbulk cargo is wharf to wharf and does not include delivery on/off the islands.

Additional costs will be charged for marking/packing/strapping/delivery of the breakbulk cargo to/from Fremantle wharf, if applicable.

ZS reserve the right to request suitable drawings of the breakbulk cargo which clearly shows Centre of Gravity (COG) of breakbulk cargo as well as location of lift/lash points. All lift/lash points are to be designed and certified to take the weight of the breakbulk cargo. Lift/lash points must be clearly marked/visible on breakbulk cargo.

Breakbulk cargo is accepted subject to space availability on the ship and is carried at the absolute discretion of the shipping line and ships master.

13. DELIVERY ON ISLAND

13.1 Full Container Loads (FCL)

ZS quoted rates only allow for containers to be unloaded onto wharf at Christmas Island or onto dumb barge at Cocos (Keeling) Island.

If required, ZS can arrange for the containers to be delivered to location once on the island. Whilst every effort will be made to deliver the containers on a timely frame, delivery of the containers/cargo cannot be guaranteed in any specific time frame.

Depending on container bookings/weather/congestion or machinery break down it may take more than 4 – 5 weeks to deliver an FCL container on/off at West Island, Cocos (Keeling) Island.

As a result, shippers should make adequate allowances for these delays.

13.2 Loose Cargo Load (LCL)

ZS LCL rate only allows for delivery of the LCL on the islands. LCL will only be delivered to the consignee's principle address (for personal) or usual place of business (for company). Deliveries will only be made during normal business hours unless otherwise agreed with ZS agent. Out of hours deliveries will be to the consignee's account.

ZS agent will contact all consignee's and arrange a delivery time, LCL cargo will not be left unattended at a consignee's address, but will be taken back to ZS agent's depot. Costs to redeliver LCL cargo will now be to the consignee's account.

LCL will be delivered to the consignee's door, however the consignee can make separate arrangements with ZS agent to carry out further duties. ZS LCL rate does not include for the provision of fork lift/cranage/extra manpower at the consignee's address to unload LCL. For all LCL under 10kgs, ZS will supply labour to deliver to the consignee's door, for all LCL over 10kgs ZS will deliver to the consignee's address Free on Truck (FOT) and it will be the consignee's responsibility to unload the LCL from the delivery vehicle.

14. DELAYS IN UNLOADING/LOADING SHIP

If cargo operations/working the ship is delayed by weather conditions or port congestion at Cocos or Christmas Islands, then the shipping line reserves the right to either wait until conditions improve or sail onto their next port of call.

Any and all costs associated with delays to cargo operations/working the ship at either Cocos or Christmas Islands will be levied against all shippers with cargo on board the ship, for the island where the delays have been experienced.

At Christmas Island, any additional costs for pilotage will also be levied out to all shippers with cargo on board the ship for Christmas Island.

If delays are protracted, the operators of the shipping line have the right to sail onto their next port of call.

Any and all costs associated with redelivery of cargo, if the ship sails onto the next port of call, will be levied against all shippers with cargo on board the ship, for the island where the delays have been experienced.

Costs for the above will be pro-rata charged out to each shipper and based on value of actual shipping costs as invoiced out to each shipper.

15. SWELL SURCHARGE

Between the months of December to April, weather delays can be experienced at Christmas and Cocos Islands. This period of time is known as the "Swell Season" as it correlates with the monsoon season in South East Asia and the wet or cyclone season in Western Australia. Discharge of cargo from the ship may be prevented or delayed due to unfavourable weather conditions brought about during this period.

If this occurs, Zentner Shipping reserves the right to introduce a "Swell Surcharge" to recover additional costs incurred due to the ship's detention, increased stevedoring costs, increased pilotage, costs associated with restowing of cargo onboard the ship, deviation to another port to replenish bunkers and supplies, or any other costs that can be attributed to the above weather delays.

The "Swell Surcharge" will be calculated by determining all relevant costs associated with delays in discharging cargo onto the islands divided by the total number of containers shipped to the island in the previous 12-month period.

The "Swell Surcharge" will only be applied to the island on which the weather delays prevented the discharge of cargo from the ship.

The "Swell Surcharge" will then be recouped in the following 12-month period, by adding the surcharge as a separate item to total shipping costs.

16. OVER DIMENSIONAL CONTAINERS

The rate quoted for shipping over dimensional (over length/width/height) containers to Christmas Island and Cocos (Keeling) Island does not allow for delivery of these containers on the islands.

Shippers should contact relevant transport companies on each island who may be able to assist with deliveries of these containers.

ZS rate only allows for unloading onto Christmas Island wharf or dumb barge on Cocos (Keeling) Island.

17. STEVEDORING OF SHIP

Stevedoring of the ship at Christmas Island is carried out using the wharf Favco crane.

If as a result of weather conditions/port congestion/draft restriction on the ship, ZS cannot utilize the Favco wharf crane to stevedore the ship and ZS can only discharge to barges at the "Buoys", then any increase in costs levies by the stevedores to carry out these operations will be passed on to all shippers whose containers have been discharged on to the barges.

At present the stevedores have estimated an increase in stevedoring costs of AU\$650.00 per container. This extra cost will be passed on to all shippers whose containers were discharged from the ship onto the barges.

18. LATE RECEIVAL FEE

Receival period for delivery of containers to the Fremantle wharf will commence 4 days prior to the ship's arrival and close off the day prior to the ship arrival into port.

No containers will be received after the close off date.

However, in certain circumstances, containers will be accepted after the close of date but these containers will be subject to a Late Receival Fee of \$750.00 per container. The Late Receival Fee must be paid prior to acceptance/delivery of the container onto Fremantle wharf.

For all containers packed and not shipped due to late receival, the shippers/packer will be charged container hire fees as per rates in Clause 2.1 of these Standard Shipping Terms and Conditions.

In the case of containers packed by ZS, goods must be delivered into ZS warehouse on or prior to close off date. Any goods received after the close off date (late receival goods) and depending on space available in containers, may not be packed/shipped. However, if the late received goods are packed and the late receival of these goods results in containers incurring a "Late Receival Fee", then this fee will be invoiced out to the consignee whose goods were received late.

19. DELAYS DUE TO STEVEDORING AND DELIVERY OF CARGO

Stevedoring of ZS ship at Christmas Island and Cocos (Keeling) Island is undertaken by private stevedoring companies. Whilst stevedoring costs are included in ZS rates to ship cargo to and from the islands, ZS have no control over priority of handling cargos/containers.

As a result, ZS cannot be held responsible, nor accept any costs as a result of delays in handling cargo/containers on/off the islands.

On Cocos (Keeling) Island, the delivery of containers to/from Home or West Island is undertaken by the Cocos Co-operative (CO-OP). Because of the matters outside of ZS control, ZS cannot be held responsible for the time taken to deliver the containers to/from the islands, nor will ZS accept in costs as a result of these delays. The shipper must be aware of the fact that in some cases it can take considerable time to deliver containers on/off Cocos (Keeling) Islands and they should make adequate allowances for these delays.

For containers/cargo coming off Cocos (Keeling) Island, it is the shipper's responsibility to liaise with the CO-OP to determine the best method and way of delivering their containers/cargo to the ship.

20. SPECIAL TERMS AND CONDITIONS FOR BREAKBULK CARGO

Breakbulk cargo is shipped subject to the following additional conditions:

- Under/on deck/goods stowed/carried on deck shall be at all times and in every respect at the risk of the shipper/receivers and or consignee. The carrier/vessel shall in no circumstances whatsoever be under any liability for loss of or damage to cargo shipped on deck. Shippers/receivers and or consignees shall indemnify and hold owners/vessels/carriers harmless for any loss or liability whatsoever which may occur in respect of the carriage of cargo on deck.
- Loading carrier berth/discharging carrier's berth
- Freight based on liner hook/hook
- Hooking on/off charges for charters/shippers/receivers account where applicable

- Freight 100% payable 3 banking days after completion of loading directly into carriers nominated bank account but always before breaking bulk
- Freight deemed earned discount less and non-refundable upon loading ship and/or cargo lost or not lost
- Charterers to guarantee carriers claim of dead freight in case of non-performance
- Any/all taxes/dues/fees/wharfage on freight and/or cargo or calculated on same to be for chartered account
- Any/all taxes/dues/fees/wharfage on vessel or calculated on same to be for carrier's account
- Loading as fast as vessel can receive/discharging as fast as vessel can deliver, otherwise detention to apply
- Detention US\$15,000.00 per day or part thereof
- Any waiting time for berth to count as detention
- Any time lost whilst alongside due to adverse weather/swell or labour strikes to count as detention
- Any waiting time for cargo including but not limited to documentation/loading/discharging to count as detention at the rate of US\$15,000.00 per day or part thereof
- Detention if any, to be paid before breaking bulk
- Cargo to be suitably packed for ocean transport, fitted with suitable lifting lugs or other adequate means of lifting and centre of gravity to be clearly indicated
- Cargo to be 100% stackable/over stowable
- Any special lifting equipment/slings/spreader not already on board to be for shipper's account
- Cargo for direct loading/receiving to be positioned/received within vessel's cranes reach at load and discharge port, otherwise all cost related to the cargo operation to be for charterer's/shipper's/receiver's account
- Any waiting time for berth to count as detention
- In the event that the vessel is able to berth, but labor is not available, time from "all fast" to "commencement of cargo operation" to count as detention.
- Stevedore stand by charges if any, due to charterers fault to be reimbursed by charterers as invoiced by the carrier
- The sea-fastening of the cargo is complying with IMO or similar industry-wide standards. If charterers/shippers/receivers have appointed a Marine Warranty Surveyor (MWS) and should the requirements exceed IMO or similar industry wide standards then the sea-fastening shall be done in accordance with the MWS' requests (provided it is to Master's satisfaction) but any time lost and any risk and expense related thereto shall be for charterers/shippers/receivers account (including NDT testing).
- Arbitration in Singapore under SCMA/English law to apply
- Otherwise as per Conline Booking Note 2016
- Subject to prevailing bunker prices
- Subject to final P/L and Tech drawings indicating COG
- Subject to Masters approval of stow plan

21. BROWN MARMORATED STINK BUG (BMSB)

- (a) The [insert Charterers or Merchant] warrants absolutely that the goods (including any and all packaging of such goods) are free of the Brown Marmorated Stink Bug (BMSB) and its eggs, and that the goods have been properly treated in accordance with the standards for BMSB treatments of the Australian Government Department of Agriculture and Water Resources, and the Merchant shall prior to loading provide the Carrier with a valid BMSB treatment certificate from an approved and registered BMSB treatment provider.
- (b) If no valid BMSB treatment certificate is submitted to the Carrier prior to loading, the Carrier may refuse to load the goods in whole or in part but the freight shall

nevertheless be deemed fully earned and the Carrier shall have no further obligation to carry the goods. Carrier's decision to load the goods in the absence of a valid BMSB treatment certificate shall not constitute a waiver of any rights the Carrier has under this clause.

- (c) Notwithstanding: (i) the provision of a BMSB treatment certificate or (ii) whether or not the goods can be classified as target (high) risk goods or (iii) whether the goods are shipped from target risk countries or not, should an infestation of BMSB be found or suspected, the Merchant shall be liable for any and all consequences whatsoever howsoever arising, including but not limited to damages for detention, costs and third party liabilities including costs of compliance with any government direction and freight costs of returning contaminated goods to origin. The goods may at any time before discharge be landed at any place, or destroyed or rendered innocuous by the Carrier without compensation and the Merchant shall be liable for all damages and expenses directly or indirectly arising out of or resulting from such shipment.

22. GENERAL DISCLAIMER

Christmas and Cocos (Keeling) Islands are isolated communities, both Islands are located approximately 2,500 kms from Fremantle, Western Australia. As a result, both islands have inherent unique logistical/stevedoring problems.

ZS will take every care to ensure goods shipped to/from the islands are not delayed, damaged or lost in transit. However, ZS will not be held responsible for any costs that can arise if goods are delayed, damaged or lost during shipment to/from the islands.

Shippers should be aware of the risk associated with shipping goods to/from the islands and must make adequate allowances that these delays, damages or loss of goods can/may cause.

As a result, ZS will not be responsible or accept any costs whatsoever from claims due; stevedoring or containers/goods on/off ship, transport of containers/goods on island or in the case of Cocos (Keeling) Island, between islands, weather conditions, port congestion, machinery breakdown, lack of island facilities/equipment, lack of workforce to handle/unpack containers which all may attribute to delays which may be experienced on the island.

All shippers should note Clause 5 "**Insurance**" and should make their own insurance arrangements should they consider it necessary to do so.

23. BILL OF LADING TERMS AND CONDITIONS

Pages 17 to 21 are the Terms and Conditions of the carrier's Bill of Lading – BIMCO Conline 2016 Liner Bill of Lading which apply to all freight carried.

These Terms form part of the Zentner Shipping Pty Ltd Standard Shipping Terms and Conditions.

CONLINEBILL 2016
NEGOTIABLE LINER BILL OF LADING

1. Definition.

"Merchant" includes the shipper, the receiver, the consignor, the consignee, the holder of the Bill of Lading, the owner of the cargo and any person entitled to possession of the cargo.

2. Notification.

Any mention in this Bill of Lading of parties to be notified of the arrival of the cargo is solely for the information of the Carrier and failure to give such notification shall not involve the Carrier in any liability nor relieve the Merchant of any obligation hereunder.

3. Liability for Carriage between Port of Loading and Port of Discharge.

(a) The International Convention for the Unification of Certain Rules of Law relating to Bills of Lading signed at Brussels on 25 August 1924 ("the Hague Rules") as amended by the Protocol signed at Brussels on 23 February 1968 ("the Hague-Visby Rules") and as enacted in the country of shipment shall apply to this Contract. When the Hague-Visby Rules are not enacted in the country of shipment, the corresponding legislation of the country of destination shall apply, irrespective of whether such legislation may only regulate outbound shipments.

When there is no enactment of the Hague-Visby Rules in either the country of shipment or in the country of destination, the Hague-Visby Rules shall apply to this Contract save where the Hague Rules as enacted in the country of shipment or, if no such enactment is in place, The Hague Rules as enacted in the country of destination apply compulsorily to this Contract. The Protocol signed at Brussels on 21 December 1979 ("the SDR Protocol 1979") shall apply where the Hague-Visby Rules apply, whether mandatorily or by this Contract.

The Carrier shall in no case be responsible for loss of or damage to cargo arising prior to loading, after discharging, or with respect to deck cargo and live animals.

(b) If the Carrier is held liable in respect of delay, consequential loss or damage other than loss of or damage to the cargo, the liability of the Carrier shall be limited to the freight for the carriage covered by this Bill of Lading, or to the limitation amount as determined in sub-clause 3(a), whichever is the lesser.

(c) The aggregate liability of the Carrier and/or any of its servants, agents or independent contractors under this Contract shall, in no circumstances, exceed the limits of liability for the total loss of the cargo under sub-clause 3(a) or, if applicable, the Additional Clause.

4. Law and Jurisdiction.

Disputes arising out of or in connection with this Bill of Lading shall be exclusively determined by the courts and in accordance with the law of the place where the Carrier has its principal place of business, as stated on Page 1, except as provided elsewhere herein.

5. The Scope of Carriage.

The intended carriage shall not be limited to the direct route but shall be deemed to include any proceeding or returning to or stopping or slowing down at or off any ports or places for any reasonable purpose connected with the carriage including bunkering, loading, discharging, or other cargo operations and maintenance of Vessel and crew.

6. Substitution of Vessel.

The Carrier shall be at liberty to carry the cargo or part thereof to the Port of discharge by the said or other vessel or vessels either belonging to the Carrier or others, or by other means of transport, proceeding either directly or indirectly to such port.

7. Transshipment.

The Carrier shall be at liberty to tranship, lighter, land and store the cargo either on shore or afloat and reship and forward the same to the Port of discharge.

8. Liability for Pre- and On-Carriage.

When the Carrier arranges pre-carriage of the cargo from a place other than the Vessel's Port of loading or on-carriage of the cargo to a place other than the Vessel's Port of discharge, the Carrier shall contract as the Merchant's Agent only and the Carrier shall not be liable for any loss or damage arising during any part of the carriage other than between the Port of loading and the Port of discharge even though the freight for the whole carriage has been collected by him.

9. Loading and Discharging.

(a) Loading and discharging of the cargo shall be arranged by the Carrier or its Agent.

(b) The Merchant shall, at its risk and expense, handle and/or store the cargo before loading and after discharging.

(c) Loading and discharging may commence without prior notice.

(d) The Merchant or its Agent shall tender the cargo when the Vessel is ready to load and as fast as the Vessel can receive including, if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port. If the Merchant or its Agent fails to tender the cargo when the Vessel is ready to load or fails to load as fast as the Vessel can receive the cargo, the

Carrier shall be relieved of any obligation to load such cargo, the Vessel shall be entitled to leave the port without further notice and the Merchant shall be liable to the Carrier for dead freight and/or any overtime charges, losses, costs and expenses incurred by the Carrier.

(e) The Merchant or his Agent shall take delivery of the cargo as fast as the Vessel can discharge including, if required by the Carrier, outside ordinary working hours notwithstanding any custom of the port. If the Merchant or its Agent fails to take

delivery of the cargo the Carrier's discharging of the cargo shall be deemed fulfilment of the contract of carriage. Should the cargo not be applied for within a reasonable time, the Carrier may sell the same privately or by auction. If the Merchant or its Agent fails to take delivery of the cargo as fast as the Vessel can discharge, the Merchant shall be liable to the Carrier for any overtime charges, losses, costs and expenses incurred by the Carrier.

(f) The Merchant shall accept its reasonable proportion of unidentified loose cargo.

10. Freight, Charges, Costs, Expenses, Duties, Taxes and Fines.

(a) Freight, whether paid or not, shall be considered as fully earned upon loading and non-returnable in any event. Unless otherwise specified, freight and/or charges under this Contract are payable by the Merchant to the Carrier on demand. Interest at Libor (or its successor) plus 2 per cent. Shall run from fourteen days after the date when freight and charges are payable.

(b) The Merchant shall be liable for all costs and expenses of fumigation, gathering and sorting loose cargo and weighing on board, repairing damage to and replacing packing due to excepted causes, and any extra handling of the cargo for any of the aforementioned reasons.

(c) The Merchant shall be liable for any dues, duties, taxes and charges which under any denomination may be levied, *inter alia*, on the basis of freight, weight of cargo or tonnage of the Vessel.

(d) The Merchant shall be liable for all fines, penalties, costs, expenses and losses which the Carrier, Vessel or cargo may incur through non-observance of Customs House and/or import or export regulations.

(e) The Carrier is entitled in case of incorrect declaration of contents, weights, measurements or value of the cargo to claim double the amount of freight which would have been due if such declaration had been correctly given. For the purpose of ascertaining the actual facts, the Carrier shall have the right to obtain from the Merchant the original invoice and to have the cargo inspected and its contents, weight, measurement or value verified.

11. Lien.

The Carrier shall have a lien on all cargo for any amount due under this contract and the costs of recovering the same and shall be entitled to sell the cargo privately or by auction to satisfy any such claims.

12. General Average and Salvage.

General Average shall be adjusted, stated and settled in London according to the York-Antwerp Rules 1994, or any modification thereof, in respect of all cargo, whether carried on or under deck.

In the event of accident, danger, damage or disaster before or after commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which or for the consequence of which the Carrier is not responsible by statute, contract or otherwise, the Merchant shall contribute with the

Carrier in General Average to the payment of any sacrifice, losses or expenses of a General Average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the cargo. If a salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the salving vessel or vessels belonged to strangers.

13. Both-to-Blame Collision Clause.

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, negligence or default of the Master, Mariner, Pilot or the servants of the Carrier in the navigation or in the management of the Vessel, the

Merchant will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her Owner in so far as such loss or liability represents loss of or damage to or any claim whatsoever of the owner of the cargo paid or payable by the other or non-carrying vessel or her Owner to the owner of the cargo and set-off, recouped or recovered by the other or non-carrying vessel or her Owner as part of its claim against the carrying vessel or

Carrier. The foregoing provisions shall also apply where the

Owner, operator or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect of a collision or contact.

14. Government directions, War, Epidemics, Ice, Strikes, etc.

(a) The Master and the Carrier shall have liberty to comply with any order or directions or recommendations in connection with the carriage under this contract given by any Government or

Authority, or anybody acting or purporting to act on behalf of such

Government or Authority, or having under the terms of the insurance on the Vessel the right to give such orders or directions or recommendations.

(b) Should it appear that the performance of the carriage would expose the Vessel or any cargo onboard to risk of seizure, damage or delay, in consequence of war, warlike operations, blockade, riots, civil commotions or piracy, or any person onboard to risk of loss of life or freedom, or that any such risk has increased, the Master may discharge the cargo at the Port of loading or any other safe and convenient port.

(c) Should it appear that epidemics; quarantine; ice; labour troubles, labour obstructions, strikes, lockouts (whether onboard

or on shore); difficulties in loading or discharging would prevent the Vessel from leaving the Port of loading or reaching or entering the Port of discharge or there discharging in the usual manner and departing therefrom, all of which safely and without unreasonable delay, the Master may discharge the cargo at the Port of loading or any other safe and convenient port.

(d) The discharge, under the provisions of this Clause, of any cargo shall be deemed due fulfilment of the contract of carriage.

(e) If in connection with the exercise of any liberty under this

Clause any extra expenses are incurred they shall be paid by the

Merchant in addition to the freight, together with return freight, if any, and a reasonable compensation for any extra services rendered to the cargo.

15. International Group of P&I Clubs/BIMCO Himalaya Clause for bills of lading and other contracts 2014

(a) For the purposes of this contract, the term "Servant" shall include the owners, managers, and operators of vessels (other than the Carrier); underlying carriers; stevedores and terminal operators; and any direct or indirect servant, agent, or subcontractor (including their own subcontractors), or any other party employed by or on behalf of the Carrier, or whose services or equipment have been used to perform this contract whether in direct contractual privity with the Carrier or not.

(b) It is hereby expressly agreed that no Servant shall in any circumstances whatsoever be under any liability whatsoever to the Merchant or other party to this contract (hereinafter termed "Merchant") for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or Default on the Servant's part while acting in the course of or connection with the performance of this contract.

(c) Without prejudice to the generality of the foregoing provisions in this clause, every exemption, limitation, condition and liberty contained herein (other than Art III Rule 8 of the Hague/Hague-

Visby Rules if incorporated herein) and every right, exemption from liability, defence and immunity of whatsoever nature applicable to the carrier or to which the carrier is entitled hereunder including the right to enforce any jurisdiction or arbitration provision contained herein shall also be available and shall extend to every such Servant of the carrier, who shall be entitled to enforce the same against the Merchant.

(d) (i) The Merchant undertakes that no claim or allegation whether arising in contract, bailment, tort or otherwise shall be made against any Servant of the carrier which imposes or attempts to impose upon any of them or any vessel owned or chartered by any of them any liability whatsoever in connection with this contract whether or not arising out of negligence on the part of such Servant. The Servant shall also be entitled to enforce the foregoing covenant against the Merchant; and

(ii) The Merchant undertakes that if any such claim or allegation should nevertheless be made, it will indemnify the carrier against all consequences thereof.

(e) For the purpose of sub-paragraphs (a)-(d) of this clause the

Carrier is or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of all persons mentioned in subclause

(a) Above who are its Servant and all such persons shall to this extent be or be deemed to be parties to this contract.

16. Stowage.

(a) The Carrier shall have the right to stow cargo by means of containers, trailers, transportable tanks, flats, pallets, or similar articles of transport used to consolidate goods.

(b) The Carrier shall have the right to carry containers, trailers, transportable tanks and covered flats, whether stowed by the

Carrier or received by him in a stowed condition from the Merchant, on or under deck without notice to the Merchant.

17. Shipper-Packed Containers, trailers, transportable tanks, flats and pallets.

(a) If a container has not been filled, packed or stowed by the Carrier, the Carrier shall not be liable for any loss of or damage to its contents and the Merchant shall cover any loss or expense incurred by the Carrier, if such loss, damage or expense has been caused by:

(i) negligent filling, packing or stowing of the container;

(ii) the contents being unsuitable for carriage in container; or

(iii) the unsuitability or defective condition of the container unless the container has been supplied by the Carrier and the unsuitability or defective condition would not have been apparent upon reasonable inspection at or prior to the time when the container was filled, packed or stowed.

(b) The provisions of sub-clause (i) of this Clause also apply with respect to trailers, transportable tanks, flats and pallets which have not been filled, packed or stowed by the Carrier.

(c) The Carrier does not accept liability for damage due to the unsuitability or defective condition of reefer equipment or trailers supplied by the Merchant.

18. Return of Containers.

(a) Containers, pallets or similar articles of transport supplied by or on behalf of the Carrier shall be returned to the Carrier in the same order and condition as handed over to the Merchant, normal wear and tear accepted, with interiors clean and within the time prescribed in the Carrier's tariff or elsewhere.

(b) The Merchant shall be liable to the Carrier for any loss, damage to, or delay, including demurrage and detention incurred by or sustained to containers, pallets or similar articles of transport during the period between handing over to the Merchant and return to the Carrier.

ADDITIONAL CLAUSE

U.S. Trade. Period of Responsibility.

(i) In case the Contract evidenced by this Bill of Lading is subject to the Carriage of Goods by Sea Act of the United

States of America, 1936 (U.S. COGSA), then the provisions stated in said Act shall govern before loading and after discharge and throughout the entire time the cargo is in the Carrier's custody and in which event freight shall be payable on the cargo coming into the Carrier's custody.

(ii) If the U.S. COGSA applies, and unless the nature and value of the cargo has been declared by the shipper before the cargo has been handed over to the Carrier and inserted in this Bill of Lading, the Carrier shall in no event be or become liable for any loss or damage to the cargo in an amount exceeding USD 500 per package or customary freight unit.