

## **TERMS & CONDITIONS OF CONTRACT – OCEAN INDIRECT**

1. DEFINITION- In this Bill of Lading the term “Vessel” means the intended Ocean Vessel on the front hereof and any vessel craft, lighter or other means of conveyance by water which is or shall be substituted in whole or in part for such named ocean vessel and also includes any other vessel(s) onto which Goods may be loaded for the purpose of being transported thereon in furtherance of the carriage covered by this Bill of lading or any part thereof.

The term “Carrier” means SecureGlobal Logistics Inc. The term “Merchant” means the shipper, consignor, consignee, the holder of this Bill of Lading and/or the receiver or the owner of the Goods. The term “Container” means any container, flat, pallet, or other form of cargo carrying unit or equipment referred to on the face hereof or in or on which any Goods may be unitized or otherwise packed or stowed when received by the Carrier for carriage hereunder or subsequent to such receipt. The term “Place of Receipt” “Intended Port of Loading” “Intended Port of Discharge” and “Intended Place of Delivery” mean respectively the place of receipt, port of loading (Ocean Vessel), port of discharge (Ocean Vessel), and place of delivery nominated on the front hereof. The term “Goods” means the cargo received from the Shipper and includes any container(s) supplied by or on behalf of any other than the carrier. The term “COGSA” refers to the Carriage of Goods by Sea Act of the United States approved April 16, 1936. The term “COGWA” refers to the Carriage of Goods by Water Act of Canada, R.S.c.291, s.1; the term “Hague Rules” refers to the International Convention for the Unification of Certain Rules Relating to Bills of Lading done at Brussels August 25, 1924. The terms “Hague-Visby” refers to the Hague Rules as amended by the Protocol done at Brussels on February 23, 1968. The term “State or States” shall mean any nation, country, commonwealth, territory or possession, internationally recognized to be a body politic and to exercise sovereign power.

2. CARRIER’S RESPONSIBILITY – (a) Subject to clause 9 & 10 hereof the liability (if any) of the Carrier in respect of the Goods shall be as follows: All carriage under this Bill of Lading to or from the United States of America shall have effect subject to the provisions of COGSA (or if this Bill of Lading covers carriage to or from Canada, it shall have effect subject to COGWA) which shall be deemed to be incorporated herein. All carriage to and from other States shall be governed, except as otherwise provided for herein, by the law of any State making the Hague Rules or Hague-Visby Rules compulsorily applicable to this Bill of Lading or, if there by no such national law, in accordance with the Hague Rules. Nothing contained herein shall be deemed a surrender by the Carrier of any of its rights or immunities or limitations or shall increase any of its responsibilities or liabilities under COGSA, COGWA, or such other compulsorily applicable carriage of goods by sea act or statute or the Hague Rules or Hague-Visby (as

herein before provided) shall govern the Goods before loading on board and after discharge from the vessel and while subject to this Bill of Lading.

(b) Save as provided in (a) hereof the Carrier shall be under no liability in any capacity whatsoever for loss or misdelivery of or damage to the Goods howsoever caused whether or not through the negligence of the Carrier, his servants or agents, or sub-contractors or for any direct or indirect loss or damage caused by delay or for any indirect or consequential loss or damage.

(c) In the event of any loss or misdelivery or delay in delivery of or damage to the Goods occurring between the time that the Goods are received by the Carrier at the Place of Receipt and the time of delivery at the intended Place of Delivery, the onus of proving that such loss, misdelivery, delay in delivery or damage (or any part thereof) occurred during the period specified in Clause (a) hereof shall be upon the Merchant. In the event that the Merchant is unable to discharge such onus of proof, the Carrier shall be under no liability for such loss, misdelivery, delay in delivery of, or damage to the Goods (or any part thereof) in accordance with (b) hereof.

(d) INSURANCE will not be arranged by the Carrier except with the express instructions in writing of the consignor and then only at his expense and lodgment of a declaration as to value prior to shipment.

3. CARRIER'S SCHEDULE – The Carrier accepts no liability for schedule deviations.

4. CONTRACTING PARTIES - In agreeing to and accepting the terms of this Bill of Lading the Shipper acts for himself and on behalf of each Merchant. The Shipper warrant to the Carrier that he is entitled and is duly authorized by any other person who owns or is entitled to possession of the Goods or this Bill of Lading to agree to and accept this Bill of Lading and to deliver the Goods to the Carrier on the terms hereof. Without prejudice to the foregoing each Merchant agree to accept this Bill of Lading and to deliver the Goods to the Carrier on the terms hereof. Without prejudice to the foregoing each Merchant agrees that in accepting this Bill of Lading from the Carrier and also in accepting endorsement or delivery hereof from the Shipper, Consignee or any other prior endorsee or holder and/or deliverer of the Goods, he confirms ratifies and agrees to be bound by all of the stipulations, exceptions and conditions stated herein whether written, printed, stamped or otherwise incorporated on the front or back hereof, and that the contract contained or evidenced herein shall be fully binding between the Carrier and such Merchant in all respects. The Merchant authorized the Carrier to arrange for any ocean carriage required under this Bill of Lading to be performed by any ocean carrier on the terms and conditions of the regular form of Bill of Lading in use by such ocean carrier.

5. SUB-CONTRACTING Exemptions and immunities of servants, agents and sub-contractors- The Carrier shall be entitled to sub-contract on any terms the whole or any part of the carriage, loading, unloading, storing, warehousing, handling and any and all

duties whatsoever undertaken by the Carrier in relation to the Goods. The Merchant shall make no claim whatsoever in relation to the Goods against any servant, agent or sub-contractor of the Carrier or its servants or agents and shall further indemnify the Carrier against any claims which may be made upon the Carrier by any such servant, agent or sub-contractor and which arise out of any claim whether arising in negligence or otherwise in relation to the Goods against whomsoever made by the Merchant. Without prejudice to the foregoing every such servant, agent and sub-contractor shall have the benefit of all provisions herein for the benefit of the Carrier as if such provisions were expressly for their benefit, and in entering into this contract the Carrier to the extent of these provisions does so not only on its own behalf but also as agent and trustee for such servants, agents and sub-contractors. The Merchant authorizes the Carrier to arrange for any ocean carriage required under this Bill of Lading to be performed by any ocean carrier on the terms and conditions of this regular form of Bill of Lading in use by such ocean carrier.

6. THROUGH AND ON BOARD BILLS OF LADING – When used in or endorsed on this Bill of Lading the words “ON BOARD” shall mean on board the exporting vessel or on board another mode of transportation operated by or on behalf of the originating Carrier and enroute to the port of loading for loading aboard the participating carrier’s ship. Copies of said Bill of Lading form are available from such participating carrier or its agents on request. At all times when goods are in care, custody and control of a participating land carrier such carrier shall be entitled to all rights, privileges, liens, limitations of and exonerations from liability, optional or discretionary rights, or rights of indemnity granted to any carrier here-under to the full extent permitted to participating carriers under any rules and regulations and laws relating to carriers.

7. ROUTE OF TRANSPORT (a) The Goods may, at the Carrier’s absolute discretion be carried as a single or several shipments by the Vessel and or any other means of transport and through any route whatsoever, whether or not such route is the direct advertised or customary route.

8. CONTAINER PACKED BY CARRIER – Where Goods received for carriage under this Bill of Lading are not already contained in or on Container(s) at the time of such receipt the Carrier shall be at liberty to carry such Goods in or on Container(s).

9. CONTAINER PACKED BY MERCHANT – If the Goods accepted by the Carrier is a Container(s) into which contents have been packed by or on behalf of the Merchant:

(a) The Merchant guarantees that the stowage of the contents in Container(s) and the closing and sealing of the Container(s) are safe and proper and also that the Container(s) and contents thereof are suitable for handling and carriage in accordance with the terms hereof. In the event of the Merchant’s breach of such guarantee, the Carrier shall not be responsible for any loss or damage to or in connection with the Goods and the Merchant shall be responsible for all consequences of whatsoever kind of such breach and shall

indemnify the Carrier against any loss, damage, expense or liability which the Carrier suffers or incurs as a consequence of such breach;

(b) The Merchant shall inspect the Container(s) when the same are furnished by or on behalf of the Carrier, and they shall be deemed to have been accepted by the Merchant as being in sound and suitable condition for the purpose of the transport contracted herein, unless he gives notice to the contrary in writing to the carrier, prior to packing the Container(s);

(c) if the Container(s) are delivered from the Carrier with seals intact, such delivery shall be deemed as the full and complete performance of the Carrier's obligation hereunder and the Carrier shall not be liable for any loss of or damage to the contents of the Container(s);

(d) the Carrier shall be at liberty to inspect the contents of the Container(s) without notice to the Merchant at such time and place as the Carrier may deem necessary, all expenses incurred in respect thereof being borne by the Merchant and in case the seals of the Container(s) are broken by the Customs or other authorities for inspection of the contents of the said Container(s), the Carrier shall not be liable for any loss, damage, expenses or any other consequences arising or resulting therefrom, and

(e) the Bill of Lading is prima facie evidence of the receipt only of the number of container(s) as shown on the face hereof; and the order and condition of the contents and any particulars thereof are unknown to the Carrier, who accepts no responsibility in respect thereof.

10. CARRIER'S CONTAINER – (a) The Merchant shall assume full responsibility for and shall indemnify the Carrier against any loss of or damage to the Carrier's Container(s) and other equipment which occurs while in the possession or control of the Merchant, his agents or sub-contractors engaged by or on behalf of the Merchant. (b) The carrier shall in no event be liable for and the Merchant shall indemnify and hold the Carrier harmless from and against any loss of or damage to property of other persons or injuries to other persons caused by the Carrier's Container(s) or the contents thereof during handling by, or while in the possession or control of the Merchant, his agents or sub-contractors engaged by or on behalf of the Merchant.

11. RETURN OF CONTAINERS – In case Goods are delivered in Container(s) which the Carrier owns or to the possession of which the Carrier is otherwise entitled, the Merchant taking delivery shall return such Container(s) promptly.

12. DESCRIPTION AND PARTICULARS OF GOODS – (a) The description and particulars of the Goods set out on the face hereof are furnished by the Merchant and are unknown to the Carrier who shall be under no responsibility whatsoever in respect of such description and particulars. (b) the Merchant warrants to the Carrier that the particulars relating to the Goods as set out on the front hereof, and any other particulars furnished by or on behalf of the Merchant, are correct and shall indemnify the Carrier against all loss, damage, expenses and liability (including taxes, penalties and fines)

suffered or incurred by the Carrier as a result of the Merchant being in breach of such warranty.

13. FREIGHT AND CHARGES – (a) The freight payable hereunder has been calculated and based on particulars of the Goods furnished by or on behalf of the Merchant. The Carrier shall be entitled at any time to reweigh, re-measure or revalue the Goods and for this purpose to open and remove and examine the contents of any Container(s) and if the particulars furnished are found to be incorrect the carrier is entitled to claim a sum equal to three times the difference between the correct freight and the freight charged as liquidated damages, notwithstanding any other sum having been stated herein as freight payable. Merchant shall also pay any expenses incurred by the carrier in checking the said particulars. (b) Freight shall be deemed earned on receipt of the Goods by the Carrier, whether the freight be intended to be prepaid or collected at destination, Goods and/or conveyance lost or not lost. Payment shall be in full and in cash. Interest at 5% shall run from the date when freight and charges are due.

14. LIEN – (a) The Carrier shall have a lien on the Goods which shall survive delivery, for any sums whatsoever payable by or chargeable to or for the account of the Merchant under this Bill of Lading and any contract preliminary hereto and the cost and expenses of recovering same and may sell the Goods privately or by public auction without notice to the Merchant. If on sale of the Goods the proceeds fail to cover the amount due and the cost and expenses incurred, the Carrier shall be entitled to recover the deficit from the merchant. (b) If the Goods are unclaimed during a reasonable time, or whenever, in the Carrier's opinion, the Goods will become detenanted, decayed or worthless, the Carrier may, at his discretion and subject to his lien and without any responsibilities attaching to him, sell, abandon or otherwise dispose of such Goods solely at the risk and expense of the Merchant.

15. EXPENSES – The Merchant shall be liable for and shall indemnify the Carrier and hold it harmless against all loss, damage, costs, expenses and liability (including taxes, penalties and fines) of whatsoever nature suffered or incurred by the Carrier in connection with the Goods or the Container(s) because of failure by the Merchant to procure consular, Department of Health or other permits or any papers that may be required at any port or place in connection with the Goods, or to supply information or otherwise comply with all laws and regulations in connection with Goods, or any expenses or disbursements incurred in accordance with Paragraph 21(a) and 10(b) hereof or from any other act or omission of the Merchant, and also against all damages, charges, legal fees and other expenses which the Carrier may incur in connection with attachments, seizures, executions, claims or legal proceedings of any description against Goods by third parties, or any proceedings by way of interpleader or otherwise which the Carrier may bring to determine the right or ownership or possession in or to the Goods or Container(s), also against any expenses or charges for regaining or attempting to regain possession of the Goods or Container(s). The Merchant authorizes the Carrier to pay and/or incur all such costs, expenses and charges and to do any matters mentioned above

at his expense and as his agent and engage other persons to regain or seek to regain possession of Goods or Container(s) and do all things deemed advisable for the benefit of Goods or Container(s). The Merchant and the Goods shall be jointly and severally liable for the payment of any sums due to the Carrier hereunder by the Merchant. Without in any way limiting the generality of the foregoing, the Merchant shall indemnify the Carrier in respect of any dues or duties or other charges which the Carrier becomes legally liable to pay and pays to any governmental, customs or other authority in respect of the Goods.

16. DANGEROUS GOODS AND CONTRABAND – Goods of any inflammable, explosive, radioactive, corrosive, damaging, noxious, hazardous, poisonous, injurious or dangerous nature must not be tendered for carriage hereunder unless written notice of their nature, name, label, classification, and method of rendering the said Goods innocuous with the names and addresses of the shipper and consignee has been previously given to the Carrier and their nature is distinctly marked on the outside of the Container(s), package(s), or piece(s) as required by applicable statutes or regulations. The foregoing written notice shall bear the certificate required by applicable statutes or regulations to certify that the Goods are properly described, packed and marked and in proper condition for transportation according to the regulations prescribed by the competent authority. If any Goods tendered for carriage without previous written declaration are or at any time become of the above mentioned nature or are or become contraband or prohibited by any law or regulations of any port or place of loading, discharge or call or any place during transit, whether the Merchant is aware thereof or not, such Goods, upon discovery at any time, may be rendered innocuous, thrown overboard, or discharged at any port of place, or be otherwise disposed of at Carrier's or sub-contractors discretion without any liability attaching thereto and without prejudice to the carrier's right to freight and any other charges payable hereunder. The foregoing provisions shall also apply to any such Goods tendered for carriage with such previous declaration which in the opinion of the Carrier or his sub-contractor have or are likely to become dangerous to the Carrier, Vessel, Cargo or other property or person. The Merchant shall be liable to indemnify the Carrier against all loss, damage, expenses and liabilities (including taxes, penalties and fines) suffered or incurred by the Carrier as a result of the carriage of such Goods. The Carrier reserves the right but shall have no obligation to strip Container(s) packed by or on behalf of the Merchant and examine the contents thereof and arrange for re-stowage, re-cooperate or reconditioning at the Carrier's or sub-contractor's discretion but at the Merchant's risk and expense.

17. Single packages with a weight exceeding 2,240 pounds gross not presented to carrier in enclosed container 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. If Merchant fails to comply with the above provisions, Carrier shall not be liable for any loss or damage to the goods, 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

18. SPECIAL CONTAINER – The Carrier does not undertake to carry the Goods in refrigerated, heated, insulated, ventilated or any other special Container(s) packed by or on behalf of the Merchant as such, but the Carrier will treat such Goods or Container(s) only as ordinary goods or dry Container(s) respectively unless special arrangements for the carriage of such Goods or Container(s) have been agreed to in writing between the Carrier and the Merchant and unless such special arrangements are noted on the face of the Bill of Lading and unless special freight as required has been paid. The Carrier does not accept the responsibility for the proper functioning of special Container(s) supplied by or on behalf of the Merchant.

19. DECK CARGO – (a) The Goods may be stowed by the Carrier in Containers or similar articles of transportations used to consolidate Goods. (b) Goods whether stowed in Containers or not, may be carried on deck or under deck without notice to the Merchant unless on the face hereof it is specifically stipulated that the Containers or Goods will be carried under deck, and if carried on deck, the Carrier shall not be required to note, mark or state on the Bill of Lading and such notice of on deck carriage. Such Goods (other than livestock) whether carried on deck or under deck and whether or not noted to be carried on deck shall participate in general average and shall be determined to be within the definition of goods for the purposes of the Carriage of Goods by Sea Act 1936 (COGSA) of the United States of America or similar provisions of any other act which may be applicable. (c) Goods (not being Goods stowed in Containers other than flats or pallets) which may be stated to be carried on deck and livestock, whether or not carried on deck are carried without responsibility on the par of the Carrier for damage of whatsoever nature arising during carriage by sea whether caused by unseaworthiness or negligence or any other cause whatsoever.

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

21. TRANSHIPMENT AND FORWARDING – (a) Whether arranged beforehand or not the Carrier shall be at liberty without notice to perform the contract of carriage evidenced hereby wholly or partly by the named or any other Vessel(s) or craft by which any vehicle, aircraft or other means or transport by water, land or air, whether owned or operated by the Carrier or others. The Carrier may under any circumstances whatsoever discharge the Goods or any part thereof at any port or place for transshipment and store the same afloat or ashore and then forward the same by any means of transport. (b) In case the Goods hereby specified cannot be found at the port of discharge or the Place of Delivery or if they be miscarried, then, when found, may be forwarded to their intended

port of discharge or Place of Delivery at the Carrier's expense, but the Carrier shall not be liable for any loss, damage, delay or depreciation arising from such forwarding.

22. DELIVERY – (a) The Carrier shall have the right to deliver the Goods at any other place designated by the Carrier within the geographic limits of the intended port of Discharge or the intended Place of Delivery shown on the face hereof; (b) In any case the Carrier's responsibility shall cease when the Goods have been delivered to the Merchant, his servants, agents or sub-contractors or any other person entitled to receive the Goods on his behalf at the place designated by the Carrier. Delivery of the Goods to the custody of customs or other authorities shall constitute final discharge of the Carrier's responsibility hereunder. (c) In case the Goods received by the Carrier are Container(s) into which contents have been packed by or on behalf of the Merchant, the Carrier shall only be responsible for delivery of the total number of Container(s), and deliver the contents thereof in accordance with brands, marks, numbers, sizes or types of packages or pieces; (d) In the event that the Carrier delivers or places the Goods into any customs house, bond store or any other place as is prescribed in part (a) hereof or as prescribed in Clause 21(a) hereof, the Merchant shall be liable to pay and shall pay all costs, expenses and charges suffered or incurred by the Carrier, his servants, agents or sub-contractors in connection or in any way associated with such attempted with such attempted delivery, until delivery is accomplished.

23. NOTICE OF CLAIM AND TIME FOR SUIT – (a) Unless notice of loss or damage and general nature of such loss or damage be given in writing to the Carrier at the Port of Discharge or Place of Delivery before or at the time of delivery of the Goods or, if the loss or damage be not apparent, within 3-days after delivery, the Goods shall be deemed to have been delivered as described in this Bill of Lading. (b) Carrier shall be discharged from all liability in respect to non-delivery, misdelivery, loss or damage to the 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 process thereon. In the event that such time limitation period shall be found contrary to any convention or law compulsorily applicable, the time period required by such convention or law shall then apply but in that circumstance only.

24. BOTH TO CLAME COLLISION – If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of the master, mariner, pilot or of the servants of the Carrier in the navigation or in the management of the Vessel, the owners of the Goods carried hereunder will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her owners in so far as such loss or liability represents loss of, or damage to, or any claim whatsoever, of the owners of said Goods, paid or payable by the other or non-carrying vessel or her owners to the owners of the said Goods and set-off, recouped or recovered by the other non-carrying vessel or her owners as part of their claim against the carrying ship or Carrier. The foregoing provisions shall also apply where the owners, operators 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, contract stranding or other accident.

25. GENERAL AVERAGE – (a) (1) The Carrier shall be liable for loss or damage to the Goods occurring between the time when he takes the Goods into his charge and the time of delivery.

(2) The Carrier shall, however, be relieved of liability for any loss or damage if such loss or damage was caused by; (a) An act or omission of the Merchant, or person other than the Carrier acting on behalf of the Merchant or from whom the Carrier took the Goods in charge; (b) Insufficiency or defective condition of the packaging, marks and/or number; (c) Handling, loading, storage or unloading of the Goods by the Merchant or any person acting on behalf of the Merchant; (d) Inherent vice of the Goods; (e) Strike, lockout, stoppage or restraint of labor, the consequences of which the Carrier cannot avoid by the exercise of reasonable diligence; (f) A nuclear incident if the operator of a nuclear installation or a person acting for him is liable for this damage under and applicable International Convention or national law governing liability in respect of nuclear energy; (g) Any cause or event which the Carrier could not avoid and the consequences whereof he could not prevent by the exercise or reasonable diligence.

(3) The burden of proving that the loss or damage was due to one or more of the above causes or events shall rest upon the Carrier. When the Carrier establishes that, in the circumstances of the case, the loss or damage could be attributed to one or more of the causes and events specified in (b) to (d) above, it shall be presumed that it was so caused. The claimant shall however, be entitled to prove that the loss or damage was not, in fact, caused wholly or partly by one or more of these causes or events.

(B) When in accordance with clause 26(Ax1), the Carrier is liable to pay compensation in respect of loss or damage and the stage or transport where loss or damage occurred is known, the liability of the Carrier and respect of such loss or damage shall be:

1. Determined by the provisions contained in any International Convention or national law which provisions; (a) cannot be departed from by private contract, to the detriment of the Claimant, and; (b) would have applied if the Claimant had made a separate and direct contract with the Carrier in respect of the particular stage of transport where the loss or damage occurred and received as evidence thereof any particular documents which must be issued in order to make such international Convention or nation law applicable. (2) With respect to the transportation in the United States of America or Canada to the intended Port of Loading or from the intended Port of Discharge the responsibility of the Carrier shall be to procure transportation by carriers (one or more) and such transportation shall be subject to the inland carrier's contracts of carriage and tariffs and any law compulsorily applicable.

27. PARTIAL INVALIDITY – If any provision in this Bill of Lading is held to be invalid or unenforceable by any court or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision. The validity of the

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

28. GOVERNING LAW AND JURISDICTION – (a) The contract evidenced by or contained in this Bill of Lading shall be governed by and construed in accordance with the Laws of the State of Texas, United States of America except as provided elsewhere herein, and any action or other dispute thereunder shall be brought before the Texas Courts, unless the Carrier otherwise specifically agrees in writing. In the event of litigation relating to this Bill of Lading, the prevailing party shall be entitled to recover its attorneys' fees, costs, and necessary disbursements, incurred therein plus interest on the outstanding freight payable hereunder at prevailing bank rates or the maximum allowed by law whichever is less.

29. VARIATION OF THE CONTRACT, ETC.

No servant or agent of the Carrier shall have power to waive or vary any of the terms hereof unless such waiver or variation is in writing and is specifically authorized or ratified in writing by the carrier.