

RECEIVED by SHGL in apparent good order and condition, unless otherwise indicated, Goods, or Containers, package or other customary freight units to be transported such place as agreed, authorized or permitted herein, and subject to all of terms on the front and reverse side of this Bill of Lading ("Bill") and in SHGL's Tariff.

- 1. Definitions:**
- (1) "**SHGL**" means entity for which the box is checked on the face of this Bill and on whose behalf this Bill was issued;
 - (2) "**Inland Carrier**" means any carrier (other than Ocean) participating in combined transport of Goods, whether by land, air or inland water carriage, acting as carrier or bailee;
 - (3) "**Combined Transport**" arises if the face of this Bill indicates a Place of Receipt or Place of Delivery on the face hereof; "Combined Transport" consists of a Port-to-Port carriage and Inland Transport;
 - (4) "**Merchant**" means and includes the shipper, consignor, consignee, receiver of the Goods, holder of this Bill, and any Person owning, entitled to or claiming possession of the Goods or this Bill;
 - (5) "**Goods**" means cargo described on the face of this Bill and, if cargo is packed into container(s) supplied or furnished by or on behalf of Merchant, include the container(s) and any packing or packaging materials;
 - (6) "**Container**" includes any closed container, open top container, flat rack, platform, trailer, transportable tank, pallet or any other device used for transportation of goods;
 - (7) "**Freight**" includes all charges payable to SHGL in accordance with the applicable Tariff and this Bill, including storage, per diem and demurrage;
 - (8) "**Vessel**" includes the vessel named on the face of this Bill and any ship, craft, lighter, barge or other means of transport that is substituted in whole or in part for that vessel;
 - (9) "**Laden on Board**" or similar words endorsed on this Bill means that the Goods have been loaded on board the Vessel or are in the custody of SHGL,
 - (10) "**Subcontractor**" includes but is not limited to owners, charterers and operators of the Vessel(s) other than SHGL, as well as stevedores, longshoremen, lighters, terminal and groupage operators, road and rail transport operators, warehousemen, truckers, agents, servants, customs brokers, and any person, firm, corporation or other legal entity which performs the carriage, or any services incidental to the carriage, of the Goods, whether or not in direct privity with SHGL;
 - (11) "**United States**" or "**U.S.**" means the United States of America; and
 - (12) "**US COGSA**" means the United States Carriage of Goods by Sea Act, 1936, 46 USC § 30701, note, as amended.

2. SHGL's Tariff: Goods carried hereunder are subject to all terms and conditions of SHGL's applicable tariff(s) on file with the Federal Maritime Commission or any other regulatory body which governs a particular portion of the Carriage and said terms and conditions are hereby incorporated herein as part of Terms and Conditions of this Bill. Copies of relevant provisions of the applicable tariff(s) may be obtained from SHGL upon request. In the event of any conflict between terms and conditions of such tariff(s) and Terms and Conditions of this Bill, the terms of this Bill shall prevail.

3. Non-Negotiability of This Bill/SHGL's Right to Deliver Goods: This Bill shall be non-negotiable unless the Consignee named on the face hereof is described as "To the Order of" or as "Order Party" or words to similar effect and the box marked "Negotiable" is checked on the face of this Bill. In the absence of such a description or the required check in the appropriate box, SHGL shall be entitled to deliver the goods to the named consignee or other person entitled to receive the Goods, without requiring production or delivery of an original of this Bill.

4. Merchant's Warranties and Acknowledgment: The Merchant warrants that

- (1) in agreeing to Terms and Conditions hereof, he is, or has the authority to contract on behalf of, the person owning or entitled to possession of Goods and this Bill;
- (2) Goods placed by Merchant in any container are suitable for transportation in the container tendered;
- (3) if not packed by SHGL, that Goods have been packed in a manner which is sufficient to protect Goods from damage during the course of carriage by sea and without causing any danger to the Vessel or to other cargo aboard the Vessel;
- (4) Container supplied by Merchant, if not supplied by SHGL, meets all applicable national or international safety standards and is fit in all respects for carriage by sea;

(5) Merchant further acknowledges that it knows or can determine the name of the actual ocean carrier and terms and conditions of the actual ocean carrier's Bill by virtue of the Vessel name(s) shown on the face hereof, and that it agrees to be bound by the applicable tariff(s) of SHGL.

5. Subcontracting and Indemnity:

(1) SHGL shall be entitled to sub-contract on any terms whatsoever the whole or any part of the carriage under this Bill; (2) Merchant undertakes that no claim or allegation, whether arising in contract, bailment, tort or otherwise shall be made against any servant, agent, or Subcontractor of SHGL, 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 the Goods or the Carriage of the Goods whether or not arising out of negligence on the part of such Person and, if any such claim or allegation should nevertheless be made, to indemnify SHGL against all consequences thereof; (3) without prejudice to the foregoing every such servant, agent, and Subcontractor shall have the benefit of all Terms and Conditions of whatsoever nature herein contained or otherwise benefitting SHGL as if such Terms and Conditions were expressly for their benefit and, in entering into this contract, SHGL, to the extent of such Terms and Conditions, does so on its own behalf, and on behalf of such Subcontractor.

6. Clause Paramount:

(1) This Bill shall have effect subject to the provisions of the International Conventions for the Unification of Certain Rules Relating to Bills of Lading, dated at Brussels, August 25, 1924 (the "Hague Rules"), as amended (including, where enacted, the Protocol dated at Brussels, February 23, 1968, known as the "Visby Rules"), as enacted or adopted in the country of shipment. When no such enactment is in force in the country of shipment or is otherwise compulsorily applicable, the Hague Rules as enacted in the country of destination shall apply. When neither the Hague Rules nor any other law is compulsorily applicable or otherwise precludes the application of the Hague Rules, the terms of the Hague Rules as enacted by the Convention shall apply.

(2) If this Bill covers Goods moving to or from ports of the United States in foreign trade, carriage of such goods shall be subject to the provisions of US COGSA. The provisions of U.S. COGSA shall (except as otherwise provided in this Bill) govern throughout the time when the Goods are in the custody of SHGL and as otherwise provided in this Bill.

7. SHGL's Responsibility:

(1) Port-to-Port Carriage: If carriage under this Bill is Port-to-Port

(A) SHGL shall be liable for the carriage of the goods from the time of loading at the Port of Origin to the time of discharge at the Port of Destination. "Loading" shall be deemed to commence with the hooking on the vessel's tackle, or if not using the Vessel's tackle, with the receipt of the Goods on deck or in the hold or, if the Goods are in bulk liquid, in the Vessel's permanent pipe connections. "Discharge" shall be deemed to have been occurred when the Goods are discharged and unhooked from the Vessel's tackle, or otherwise off-loaded from the ship;

(B) where US COGSA applies, the provisions of such Act, including the limitation of liability provisions, shall govern before loading on the Vessel and after discharge from the Vessel, during Carriage to or from a container yard or container freight station in or immediately adjacent to the sea terminal at the Port of Loading and/or Discharge;

(C) notwithstanding the above, in case and to the extent that the governing law, or a contractual arrangement, or custom and practice, or any court or tribunal decision extends SHGL's period of responsibility whether in contract, tort, bailment or otherwise to all or any part of the period before loading, or the period after discharge, including for misdelivery, then SHGL shall have the benefit of every right, defense, immunity, limitation and liberty provided for in the Hague Rules during such additional period of responsibility, notwithstanding that the loss, damage or misdelivery did not occur during the carriage by sea.

(2) Combined Transport: SHGL's liability for Combined Transport shall be as follows:

(A) where the loss or damage occurred during the Port-to-Port section of the carriage, the liability of SHGL is in accordance with clause 7(1) above;

(B) where the loss or damage occurred during Inland Transport, the liability of SHGL shall be determined as follows:

(i) by the provisions contained in any international convention, national law or regulation applicable to the means of transport utilized, if such convention, national law or regulation would have been compulsorily applicable in the case where a separate contract had been made in respect to the particular stage of transport concerned, or; (ii) if Inland Transport occurs in a country other than the U.S. and no international convention, national law or regulation is applicable, by the contract of carriage issued by the Subcontractor for that stage of transport, including any limitations and exceptions contained therein, which contract the Merchant and SHGL adopt and incorporate by reference, it being agreed that SHGL's rights and liabilities shall be the same as those of the Subcontractor, but in no

event shall SHGL's liability exceed US\$1 per pound unless the blank for "Declared Value" on the face of this Bill has been completed and the appropriate ad valorem charges paid; (iii) if Inland Transport occurs in the United States, by the contract of carriage issued by the Subcontractor for that stage of transport, including any limitations and exceptions contained therein, which contract the Merchant and SHGL adopt and incorporate by reference, it being agreed that SHGL's rights and liabilities shall be the same as those of the Subcontractor, provided, however, that in no event shall SHGL's liability exceed US\$1 per pound unless the blank for "Declared Value" on the face of this Bill has been completed and the appropriate ad valorem charges paid; (iv) if the place of loss or damage cannot be established by the Merchant, then the loss or damage shall be presumed to have occurred during the Port-to-Port section of carriage and SHGL's liability shall be determined as provided in (1) above.

(3) Where any law or regulation applicable at the Port of Discharge or Place of Delivery provides that delivery of the Goods to the Merchant shall or may be effected by the customs or port authorities at the Port of Discharge or Place of Delivery, notwithstanding anything to the contrary herein, delivery of the Goods by SHGL to such customs or port authorities shall be deemed to be lawful delivery of the Goods by SHGL to the Merchant and SHGL shall not be liable for any loss of or damage to the Goods which occurs for any reason whatsoever after delivery of the Goods by SHGL to the customs or port authorities.

(4) If this Bill is designated as a "Port-to Port" Bill on the face hereof, the designation of the place of origin or place of destination on the face of this Bill is for the information of the Merchant only, and does not and shall not be construed to mean that SHGL is assuming liability for the loss of, damage to or delay in delivery of the Goods during this portion of the transportation. If SHGL has been requested by Merchant to procure carriage carrier prior to loading on board or discharge from the Vessel, and SHGL in its discretion agrees to do so, such carriage shall be procured by SHGL as agent of Merchant, not as a carrier of the goods, and such carriage shall be subject to the Participating Carrier's contract and tariff(s).

8. Merchant's Responsibilities:

(1) All persons falling within the definition of Merchant herein shall be jointly and severally liable to SHGL for the fulfillment of all obligations undertaken by Merchant in this Bill;

(2) Merchant shall be liable for and shall indemnify SHGL against all loss, damage, delay, fines, attorneys' fees and expenses arising from any breach of any of the warranties in this Bill and from any other cause whatsoever in connection with the Goods for which SHGL is not responsible;

(3) Merchant shall be liable for all loss at damage of any kind, including but not limited to contamination, soiling, demurrage and detention before, during and after the Carriage of property (including but not limited to Containers) of SHGL or any person at vessel (other than the Merchant) caused by the Merchant or any person acting on its behalf or for which the Merchant is otherwise responsible;

(4) Merchant shall comply with all regulations or requirements of customs, port and other authorities, and shall bear, pay and indemnify SHGL against all duties, taxes, fines, imposts, expenses, damage, delay attorney fees or losses (including, without prejudice to the generality of the foregoing Freight for any additional Carriage undertaken) incurred or suffered by reason thereof, or by reason of any illegal, incorrect, untimely or insufficient declaration, marking, numbering or addressing of the Goods;

(5) if containers supplied by or on behalf of SHGL are unpacked at the Merchant's premises, the Merchant is responsible for returning the empty containers, with interiors clean, odor free and in the same condition as received, to the point or place designated by SHGL, within the time prescribed;

(6) Containers released into the care of the Merchant for packing, unpacking or any other purpose whatsoever are at the sole risk of the Merchant until redelivered to SHGL. The Merchant shall indemnify SHGL for all loss of or damage to such Containers.

9. Freight, Expenses and Fees:

(1) Freight owed for the carriage shall be payable based on particulars furnished by or on behalf of Merchant. SHGL may at any time open Goods or container(s) and, if Merchant's particulars are incorrect, the Merchant and the Goods shall be liable for the correct Freight and for any expenses incurred in examining, weighing, measuring, or valuing the Goods.

(2) Freight shall be considered completely earned on receipt of the Goods by SHGL and shall be paid and non-returnable in any event.

(3) All sums payable to SHGL are due on demand and shall be paid in full in United States currency or, at SHGL's option, in its equivalent in the currency of the Port of Loading or of Discharge or the Place of Receipt or of Delivery.

10. Description and Particulars of Goods: Any reference on the face of this Bill to marks, numbers, description, quantity, quality, gauge, weight, measure, nature, kind, value, and any other particulars of the Goods, is as furnished by the Merchant. SHGL shall not

be responsible for the accuracy of any such reference and is not bound thereby. The Merchant warrants to SHGL that the descriptions and particulars furnished by him are correct, and the Merchant shall indemnify SHGL against all loss, damage, expenses, liability, penalties and fines arising or resulting from inaccuracy of any description or particular.

11. Container Packed by Merchant: If the cargo received by the Ocean or Inland Carrier is in a container packed by or on behalf of the Merchant,

- (1) this Bill is prima facie evidence of the receipt only of the number of containers shown on the face of this Bill. The condition and particulars of the contents are unknown to SHGL and SHGL accepts no responsibility for the accuracy of the description of condition or particulars.
- (2) Merchant warrants that
 - (A) the stowage of the contents of the containers and the closing and sealing of the containers are safe and proper, and
 - (B) that the containers and their contents are suitable for handling and carriage by sea. In the event of the Merchant's breach of any of these warranties, the Merchant shall be responsible for, and the Merchant shall indemnify and hold SHGL harmless from, any resulting loss or damage to persons or property (including the Goods).
- (3) Merchant shall inspect the container when furnished by or on behalf of SHGL, and the container shall be deemed to have been accepted by Merchant as being in sound and suitable condition for the purpose of the transport contracted for in this Bill, unless the Merchant gives notice to the contrary to SHGL, in writing, before the transport.
- (4) If the Container is delivered after transport by SHGL with seals intact, such delivery shall be deemed to be full and complete performance of SHGL's obligations under this Bill, and SHGL shall not be liable for any loss of or damage to the contents of the Container.
- (5) SHGL shall have the right to open the container and to inspect its contents without notice to the Merchant, at such time and place as SHGL may deem necessary, and all expenses incurred therefrom shall be borne by the Merchant.
- (6) If any seal of the container is broken by customs or other authorities for inspection of its contents, SHGL shall not be liable for any resulting loss, damage or expenses.

12. Special Carriage or Container:

- (1) SHGL does not undertake to carry the Goods in refrigerated, heated, insulated, ventilated, or any other special hold or container, nor to carry any special container packed by or on behalf of Merchant, but SHGL will treat such Goods or container as ordinary goods or dry container, respectively, unless:
 - (A) special arrangements for the carriage of such Goods or container have been agreed to in writing between SHGL and Merchant;
 - (B) such special arrangements are noted on the face of this Bill; and
 - (C) special freight charges as required have been paid.
- (2) SHGL shall not be responsible for the proper functioning of a special container supplied by or on behalf of the Merchant.
- (3) SHGL shall not be liable for any loss of or damage to Goods in a special hold or container arising from latent defects, breakdown, or stoppage of the refrigeration or heating machinery, insulation, ship's plant, or other such apparatus of the Vessel or container, provided that SHGL shall before or at the beginning of the transport exercise due diligence to maintain the special hold or container in an efficient state.
- (4) If the Goods have been packed into a refrigerated container by SHGL, and the particular temperature range requested by the Merchants is inserted in this Bill, SHGL will set the thermostatic controls within the requested temperature range but does not guarantee the maintenance of such temperature inside the container.
- (5) If the cargo received by SHGL is in a refrigerated container packed by or on behalf of the Merchant, it is the obligation of the Merchant to stow the contents properly and set the thermostatic controls properly. SHGL shall not be liable for any loss of or damage to the Goods arising out of or resulting from the Merchant's failure to comply with this obligation, nor does SHGL guarantee the maintenance of the intended temperature inside the container.

13. SHGL's Container:

- (1) If SHGL provides Merchant with a container, Merchant assumes full responsibility for and shall indemnify SHGL against any loss of or damage to SHGL's container and other equipment if the loss or damage is caused or occurs while in the possession or control of Merchant, his agents, or common carriers engaged by or on behalf of Merchant.
- (2) SHGL shall in no event be liable for, and Merchant shall indemnify and hold SHGL harmless from, any death of or injuries to persons, or loss of or damage to property, caused by SHGL's container or its contents while in the possession or control of Merchant, his agents, or common carriers engaged by or on behalf of Merchant.

14. Inspection of Goods: SHGL shall be entitled, but under no obligation, to open and/or scan any Package or Container at any time and to inspect the contents. If it appears at any time that the Goods cannot safely or properly be carried or carried further, either at all or without incurring any additional expense or taking any measures in relation to the Container or the Goods, SHGL may, without notice to the Merchant (but as his agent only), take any measures and/or incur any reasonable additional expense to carry or to continue the Carriage thereof, and/or to sell or dispose of the Goods and/or to abandon the Carriage and/or to store them ashore or afloat, under cover or in the open, at any place, whichever SHGL in his absolute discretion considers most appropriate, which sale, disposal, abandonment or storage shall be deemed to constitute due delivery under this Bill. Merchant shall indemnify SHGL against any reasonable additional expense so incurred. SHGL in exercising the liberties contained in this clause shall not be under any obligation to take any particular measures and shall not be liable for any loss, delay or damage howsoever arising from any action or lack of action under this clause.

15. General Provisions:

(1) SHGL does not undertake that Goods or any documents relating thereto will arrive or be available at any point or place at any stage during the carriage or at Port of Discharge or Place of Delivery at any particular time or to meet any particular requirement of any licence, permission, sale contract, or credit of Merchant or any market or use of Goods, and SHGL shall under no circumstances be liable for any direct, indirect or consequential loss or damage caused by delay. If SHGL should nevertheless be held legally liable for any such direct or indirect or consequential loss or damage caused by such alleged delay, SHGL's liability for delay shall in no event exceed two times the Freight paid for the carriage.

(2) Except as may be otherwise provided herein, after the Goods have been received by SHGL for ocean carriage, Merchant shall not be entitled to impede, delay, suspend or stop or otherwise interfere with SHGL's intended manner of performance of the Carriage or the exercise of the liberties conferred by this Bill nor to instruct or require delivery of the Goods at other than the Port of Discharge or Place of Delivery named on the reverse hereof or such other Port or Place selected by SHGL in the exercise of the liberties herein, for any reason whatsoever including, but not limited to, the exercise of any right of stoppage in transit conferred by Merchant's contract of sale or otherwise. Merchant shall indemnify SHGL against all claims, liabilities, loss, damages, costs, delay, attorneys' fees and other expense caused to SHGL, his Subcontractors, servants or agents or to any other cargo or to the owner of such cargo during the carriage which arises from any stoppage (whether temporary or permanent) in the carriage of the Goods, whether at the request of the Merchant, or in consequence of any breach by the Merchant of this clause, or in consequence of any dispute whatsoever in respect of the Goods (including, but not limited to, disputes regarding ownership, title, quality, quantity or description of and/or payment for the Goods) involving any party defined herein as the Merchant as between themselves or with any third party other than SHGL. The liberties provided for in paragraphs 17 and 18 shall be available to SHGL in the event of any such stoppage.

16. Route to Transport:

(1) Goods may, at SHGL's absolute discretion, be carried as a single shipment or as several shipments by the Vessel and/or any other means of transport by land, water, or air and by any route whatsoever, whether or not such route is the direct, advertised, or customary route.

(2) Vessel shall have liberty to call or stay at any port or place in or out of the direct, advertised, or customary route, once or more often and in any order, and to omit calling at any port or place whether scheduled or not.

(3) Vessel shall have liberty, either with or without the Goods on board and either before or after proceeding toward the port of discharge to adjust to compasses and other navigational instruments, make trial trips or tests, dry dock, go to repair yards, shift berths, take on fuel or stores, embark or disembark any person, carry contraband, explosives, munitions, war-like stores and hazardous cargo, sail with or without pilots, tow or be towed, and save or attempt to save life or property. **(4)** If Goods in whole or in part are for any reason not carried on the Vessel named in this Bill, or if loading the Goods is delayed or is likely to detain the Vessel, the Vessel may proceed without carrying or loading the Goods in whole or in part, and notice to Merchant of such sailing is hereby waived. SHGL may forward the Goods under the terms of this Bill on the next available ship or at SHGL's option by any other means of transportation, whether by land, water or air.

(5) At SHGL's option and without notice to Merchant, another ship or ships may be substituted for the Vessel named in this Bill, whether or not the substitute ship is owned or operated by SHGL or arrives or departs, or is scheduled to arrive or depart, before or after the Vessel named by this Bill.

(6) Any action taken by SHGL under this Article shall be deemed to be included within the contract of carriage and such action, or resulting delay, shall not be considered a deviation. Should SHGL be held liable in respect of such action, SHGL shall nevertheless be entitled to the full benefit of all privileges, rights, and immunities contained in this Bill.

17. Liberties:

(1) In any situation whatsoever whether or not existing or anticipated before commencement of or during the transport, which in the judgment of SHGL (including for the purpose of this subparagraph the Master and any person charged with the transport or safekeeping of the Goods) has given or is likely to give rise to danger, injury, loss, delay, or disadvantage of whatsoever nature to the Vessel, SHGL, a vehicle, a person, the Goods or any property, or has rendered or is likely to render it in any way unsafe, impracticable, unlawful, or against the interest of SHGL or Merchant to commence or continue the transport or to discharge the Goods at the port of discharge or to deliver the Goods at the place of delivery by the route and in the manner originally intended by SHGL, SHGL

(A) at any time shall be entitled to unpack the container(s) or otherwise dispose of Goods in such way as SHGL may deem advisable at the risk and expense of Merchant, and/or

(B) before the Goods are loaded on the Vessel, a vehicle, or other means of transport at the place of receipt or port of loading, shall be entitled to cancel the contract of carriage without compensation and to require the Merchant to take delivery of the Goods and, upon his failure to do so, to warehouse or place them at any place selected by SHGL at the risk and expense of the Merchant, and/or

(C) if Goods are at a place awaiting transshipment, shall be entitled to terminate transport and to store them at any place selected by SHGL at risk and expense of Merchant, and/or

(D) if Goods are loaded on the Vessel, a vehicle, or other means of transport whether or not approaching, entering, or attempting to enter the port of discharge or to reach the place of delivery or attempting or commencing to discharge, shall be entitled to discharge the Goods or any part of them at any port or place selected by SHGL or to carry them back to the port of loading or place of receipt and there discharge them. Any actions under (C) or (D) above shall constitute complete and final delivery and full performance of this contract, and SHGL thereafter shall be free from any responsibility for carriage of the Goods.

(2) If, after storage, discharge, or any actions referred to in 17(1), SHGL makes arrangements to store and/or forward Goods, it is agreed that he shall do so only as agent for and at the sole risk and expense of Merchant without any liability whatsoever in respect of such agency. Merchant shall reimburse SHGL forthwith upon demand for all extra freight charges and expenses incurred for any actions taken according to 17(1), including delay or expense to Vessel, and SHGL shall have a lien upon Goods to that extent.

(3) The situations referred to shall include, but shall not be limited to, those caused by the existence or apprehension of war declared or undeclared, hostilities, riots, civil commotions, or other disturbances closure of, obstacle in, or danger to any port or canal, blockade, prohibition, or restriction on commerce or trading quarantine, sanitary, or other similar regulations or restrictions, strikes, lockouts or other labor troubles whether partial or general and whether or not involving employees of SHGL or its Subcontractors, congestion of port, wharf, sea terminal, or similar place, shortage, absence or obstacles of labor or facilities for loading, discharge, delivery, or other handling of the Goods, epidemics or diseases, bad weather, shallow water, ice, landslip, or other obstacles in navigation or carriage.

(4) SHGL, in addition to all other liberties provided for in this Article, shall have liberty to comply with orders, directions, regulations or suggestions as to navigation or the carriage or handling of the Goods or the Vessel howsoever given, by any actual or purported government or public authority, or by any committee or person having under the terms of any insurance on the Vessel, the right to give such order, direction, regulation, or suggestion. If by reason of or in compliance with any such order, direction, regulation, or suggestions, anything is done or is not done the same shall be deemed to be included within the contractual carriage and shall not be a deviation.

18. Stowage Under and on Deck:

(1) Goods in containers, vans, trailers, or chassis may be carried under deck or on deck, and when such Goods are carried on deck, SHGL shall not be required to specially note, mark, or stamp any statement of "on deck stowage" on the face of this Bill, any custom to the contrary notwithstanding. Such on deck carriage shall not be considered a deviation.

(2) Goods stowed in poop, forecastle, deck house, shelter deck, passenger space, or any other covered-in-space, or stowed in a container wherever placed, shall be deemed to be stowed under deck for all purposes, including general average.

(3) Lumber, earth moving equipment and all other Goods customarily or reasonably carried on deck may, at SHGL's option, be carried on deck without further notice to Merchant and without liability to the Ocean SHGL for the risks inherent in or incident to such carriage. Such on deck carriage shall not be considered a deviation.

(4) If Goods not in containers are carried on deck, and stated on this Bill to be so carried, all risks of loss or damage from perils inherent in or incident to the custody or carriage of such Goods shall be borne by Merchant, and SHGL shall have the benefit of the provisions of all applicable versions of the Hague Rules (including U.S. COGSA, notwithstanding Section 1301 (c) thereof) and the terms of this Bill.

19. Dangerous Goods, Contraband:

(1) SHGL undertakes to carry Goods of an explosive, inflammable, radioactive, corrosive, damaging, poisonous, or dangerous nature only upon SHGL's approval of a written application by Merchant prior to the carriage of such Goods. Such application must accurately state the name, nature and classification of the Goods, as well as how they are dangerous and the method of rendering them innocuous, together with the full names and addresses of the shipper and the consignee.

(2) Merchant shall undertake that the nature and danger of such Goods is distinctly and permanently marked on the outside of the package or container containing the Goods.

(3) Merchant shall submit to SHGL all documents or certificates required in connection with such Goods by any applicable statute or regulation.

(4) If SHGL discovers that Goods have been tendered to it without compliance with the above, or if it finds that the Goods are contraband or prohibited by any law or regulation of any place during carriage, SHGL shall be entitled to have such Goods rendered innocuous, thrown overboard, discharged, or otherwise disposed of at SHGL's discretion without compensation, and Merchant shall be liable for and indemnify SHGL against any loss, damage or liability, including loss of Freight, and any other expenses directly or indirectly arising out of custody or carriage of such Goods.

(5) SHGL may exercise the right conferred upon it under 19 (4) whenever it is apprehended that Goods received in compliance with 19(1), 19(2), or 19(3) above have become dangerous, even if not dangerous when received by SHGL.

20. Live Animals and Plants: With respect to custody and carriage of live animals and plants, all risks of loss or damage by perils inherent in or incident to such carriage shall be borne by Merchant, and in all other respects SHGL shall have the benefit of the provisions of the applicable version of the Hague Rules (including U.S. COGSA, notwithstanding Section 1301(c) thereof) and the terms of this Bill.

21. Valuable Goods: SHGL shall not be liable to any extent for any loss of or damage to or in connection with precious metals, stones, or chemicals, jewelry, currency, negotiable instruments, securities, writings, documents, works of art, curios, heirlooms, or any other valuable goods, including goods having particular value only for Merchant, unless the true nature and value of the Goods have been declared in writing by Merchant before receipt of the Goods by SHGL, the same is inserted on the face of this Bill and additional freight has been paid as required.

22. Heavy Lift:

(1) The weight of a single piece or package exceeding 2,240 lbs. gross must be declared by the Merchant in writing before receipt by SHGL and must be marked clearly and durably on the outside of the piece or package in letters and figures not less than two inches high.

(2) If Merchant fails in his obligations under the preceding subpart

(A) SHGL shall not be responsible for any loss of or damage to in connection with the Goods,

(B) Merchant shall be liable for resulting loss of or damage to any person or property, and

(C) Merchant shall indemnify SHGL against any resulting loss, damage, or liability suffered by SHGL.

23. Delivery by Marks: SHGL shall not be liable for failure to deliver or delay in delivery in accordance with marks, unless such marks have been clearly and durably stamped or marked upon the Goods, package, or container by the Merchant before they are received by SHGL, in letters and numbers not less than two inches high, together with the names of the port of discharge and place of delivery. In no circumstances shall SHGL be responsible for delivery in accordance with other than leading marks. Merchant warrants that the marks on Goods, packages and containers correspond to the marks shown on this Bill and also in all respects comply with all laws and regulations in force at the port of discharge or place of delivery. Merchant shall indemnify SHGL against all loss, damage or expenses resulting from inaccuracy or incompleteness of the marks. Goods that cannot be identified as to marks or numbers, cargo sweeping, liquid residue, and any unclaimed goods not otherwise accounted for may be allocated for the purpose for completing delivery to the various Merchants of Goods of like character in proportion to any apparent shortage, loss of weight or damage.

24. Delivery:

(1) Port-to-Port Shipment:

(A) SHGL shall have the right to deliver the Goods at any time at the Vessel's side, customs house, warehouse, wharf, or any other place designated by SHGL, within the geographic limits of the port of discharge or place of delivery shown on the face of this Bill.

(B) SHGL's responsibility shall cease when the Goods have been delivered or made available for delivery to the Merchant, an Inland Carrier, a connecting carrier, or any other person entitled to receive the Goods on Merchant's behalf at the Port designated on the face of this Bill. Delivery of the goods to the custody of customs or any other public authority shall constitute delivery of the Goods to Merchant.

(2) Combined Transport: If this Bill is for the Combined Transport of the Goods, SHGL shall deliver the Goods to the Consignee at the premises located at the destination described in this Bill or to any other premises designated by the Consignee during regular business hours.

(3) In case the cargo received by SHGL in containers packed by or on behalf of Merchant:

(A) SHGL shall only be responsible for delivery of the total number of containers received;

(B) SHGL shall not be required to unpack the containers and deliver their contents in accordance with brands, marks, numbers sizes, to types of items or pieces.

(4) Upon Merchant's request in writing delivered to SHGL at least 3 days prior to the scheduled date of arrival of the Vessel at the port of discharge, SHGL may, but is not required to, unpack the container(s) and deliver its (or their) contents in accordance with the written request. If the seal of the container(s) is intact at the time of unpacking,

(A) SHGL's obligations under this Bill shall be deemed to have been discharged,

(B) SHGL may not be held responsible for any loss or damage resulting from such delivery and

(C) Merchant shall be liable for an appropriate adjustment of the freight and any additional charges incurred.

(5) If the Goods have been packed into a container by SHGL, SHGL may unpack the container and deliver its contents. If Merchant requests that the Goods be delivered in the container, and SHGL agrees to such delivery, delivery of the container with the seals intact shall be deemed to constitute full and complete discharge of SHGL's obligations under this Bill, and SHGL shall not and may not be held responsible for any loss or damage to the contents of the container.

(6) Optional delivery shall be granted only when arranged prior to the time of receipt of the Goods by SHGL and if expressly stated on the face of this Bill. Merchant desiring to avail himself of the option so expressed must give notice in writing to SHGL at the first port of call named in the option at least 48 hours prior to the Vessel's arrival, otherwise the Goods shall be landed at any of the optional ports at SHGL's option, and SHGL's responsibility for the Goods shall be deemed satisfied.

(7) SHGL is not responsible to give notification, in writing or otherwise, either to Merchant or others, of the arrival, discharge, or disposition of Goods, any custom or agreement to the contrary notwithstanding, and notwithstanding any notation on the face of this Bill, concerning notification or a notify party.

25. Transshipment and Forwarding:

(1) Whether arranged beforehand or not, SHGL shall be at liberty without notice to carry the Goods wholly or partly by the named or any other vessel, craft barge, or other means of transport by water, land or air, whether or not owned or operated by SHGL.

(2) SHGL may under any circumstances whatsoever discharge the Goods or any part of them at any port or place for transshipment and store them afloat or ashore and then forward them by any means of transport.

(3) If the Goods cannot be found at the port of discharge or place of delivery, or if they be miscarried, the Goods, when found, may be forwarded to their intended port of discharge or place of delivery at SHGL's expense, but SHGL shall not be liable for any loss, damage, delay, or depreciation arising from such forwarding.

(4) In case of Port-to-Port Transportation, transshipment of cargo, or receipt of cargo from ports or inland points not included within the Vessel's itinerary or SHGL's service, is to be at the sole risk and expense of Merchant, and neither SHGL nor its Vessel shall be deemed to be the agent or principal of a prior or subsequent carrier notwithstanding the issuance by SHGL of a Bill, receipt, or other shipping document at a time or place prior to that at which the Goods are received by SHGL.

26. Fire: SHGL shall not be responsible for any loss of or damage to the Goods arising from fire occurring at any time, even though before loading on or after discharge from the Vessel, unless caused by the actual fault or privity of SHGL.

27. Lien/Sale of Unclaimed Goods:

(1) SHGL shall have a lien on the Goods, which shall survive delivery, for all freight, dead freight, demurrage, damages, loss, charges, expenses, and any other sums (including costs, customs fees, attorneys' fees, and other fees for recovering the sums) chargeable to Merchant under this Bill and under any other contract for custody or carriage of the Goods. SHGL may foreclose the lien by selling the Goods without notice to Merchant privately or by public auction. If on sale of the Goods the proceeds fail to cover the amount due and the costs and fees incurred, SHGL shall be entitled to recover the balance owed from the Merchant.

(2) If the Goods are unclaimed during a reasonable time, or whenever in SHGL's opinion the Goods will become deteriorated, decayed or worthless, SHGL, without responsibility to it, may at its discretion and subject to its lien, sell, abandon, or otherwise dispose of such Goods at the sole risk and expense of Merchant.

28. Delivery: If delivery of the Goods or Containers or other packages or any part thereof is not taken by the Merchant when and where and at such time and place as SHGL is entitled to have the Merchant take delivery, whether or not the Goods are damaged, they shall be considered to have been delivered to the Merchant, and SHGL may, at its option, subject to its lien and without notice, elect to have same remain where they are or, if containerized, devanned and sent to a warehouse or other place, always at the risk and expense of the Merchant. If the Goods are stowed within a Container owned or leased by SHGL, SHGL shall be entitled to devan the contents of any such Container, whereupon the Goods shall be considered to have been delivered to the Merchant, and SHGL may, at its option subject to its lien and without notice to Merchant, elect to have same remain where they are or sent to a warehouse or other place, always at the risk and expense of the Merchant and Goods. At ports or places where by local law, authorities or custom, SHGL is required to discharge cargo to lighters or other craft or where it has been so agreed or where wharves are not available which the Vessel can get to, be at, lie at, or leave, always safely afloat, or where conditions prevailing at the time render discharge at a wharf dangerous, imprudent or likely, to delay the Vessel, the Merchant shall promptly furnish lighters or other craft to take delivery alongside the Vessel at the risk and expense of Merchant and Goods. If the Merchant fails to provide such lighters or other craft, SHGL, acting solely as agent for the Merchant, may engage such lighters or other craft at the risk and expense of the Merchant and Goods. Discharge of the Goods into such lighters or other craft shall constitute proper delivery and any further responsibility of SHGL with respect to the Goods shall thereupon terminate.

29. General Average - New Jason Clause:

(1) General average shall be adjusted, stated and settled at any port or place as the Ocean SHGL's option and according to the York-Antwerp Rules, 1974 and as to matters not provided for by these Rules, according to the laws and usages of the port or place of adjustment and in the currency selected by the Ocean SHGL. The general average statement shall be prepared by the adjusters appointed by the Ocean SHGL. Average agreement or bond and such cash deposit as the Ocean SHGL may deem sufficient to cover the estimated contribution of the Goods and any salvage and special charges thereon and any other additional securities as the Ocean SHGL may require shall be furnished by the Merchant to the Ocean SHGL before delivery of the Goods.

(2) 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 Ocean SHGL is not responsible by statute, contract, or otherwise, the Goods and the Merchant shall jointly and severally contribute with the Ocean SHGL in general average to the payment of any sacrifices, loss, 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 Goods. If a salvage ship is owned or operated by the Ocean SHGL, salvage shall be paid for as fully and in the same manner as if such salvaging ship belonged to strangers.

30. Both to Blame Collision: If the Vessel comes into collision with another ship as a result of the negligence of the other ship and any act, neglect, or default of the Master, mariner, pilot, or servants of the owner of the Vessel in the navigation or in the management of the Vessel, the Merchant shall indemnify the Ocean SHGL against all loss or liability which might be incurred directly or indirectly to the other or non-carrying ship or her owners insofar as such loss or liability represents loss of or damage to his Goods or any claim whatsoever of the Merchant paid or payable by the other or non-carrying ship or her owners to the Merchant and set-off, recouped, or recovered by the other or non-carrying ship or her owners as part of their claim against the carrying Vessel or its owner. The foregoing provisions shall also apply where the owners, operators, or those in charge of any ship or ships or objects other than, or in addition to the colliding ships or objects are at fault in respect of a collision contact stranding or other accident.

31. Defenses To and Exclusions From Liability:

(1) SHGL shall be relieved of liability for any loss or damage where such loss or damage was caused by:

- (A) an act or omission of the Merchant or person acting on behalf of the Merchant other than SHGL, his servant, agent or Subcontractor;
- (B) compliance with instructions of any person entitled to give them;
- (C) insufficient or defective condition of packing or marks;
- (D) handling, loading, stowage or unloading of the Goods by the Merchant or any Person acting on his behalf;
- (E) inherent vice of the Goods;
- (F) strike, lock out, stoppage or restraint of labour, from whatever cause, whether partial or general;

(G) a nuclear incident; or

(H) any cause or event which SHGL could not avoid and the consequences whereof he could not prevent by the exercise of reasonable diligence.

(2) The burden of proof that the loss or damage resulted from one of the causes specified in above shall rest with SHGL, provided, however, that if SHGL establishes that, under the circumstances of the case, the loss or damage could have resulted from one or more of the causes or events specified above, the Merchant shall have the burden of demonstrating that it was not so caused. The Merchant shall be entitled to prove that the loss or damage was not, in fact, caused either wholly or partly by one or more of these causes or events.

(3) Nothing in this Bill shall operate to limit or deprive SHGL of any statutory protection, defense, exception or limitation of liability authorized by any applicable laws, statutes or regulations of any country. SHGL shall have the benefit of the said laws, statutes or regulations as if it were the owner or operator of the Vessel upon which the Goods were carried.

32. Limitation of Liability:

(1) If it is established that the Goods were damaged, lost or delayed while in the course of ocean transport and prior to delivery of the Goods to Merchant, or if the time of loss damage or delay cannot be determined, or during any other period during which SHGL is held compulsorily liable as a carrier under the applicable law, SHGL's liability shall be limited to \$500 per package or customary shipping unit if US COGSA applies, to the minimum level of liability specified in the version of the Hague Rules which applies to the Carriage at issue, or to the higher level of liability declared on the face of this Bill, if such a declaration has been made and any additional Freight required paid. Any partial loss or damage shall be adjusted pro rata on the basis of such declared value.

(2) If it is established that the Goods were damaged, lost or delayed while in the course of Inland Transport, SHGL's liability shall be in the manner and to the amounts specified in the contract of carriage issued by the Inland Carrier for that portion of the transport, including any limitations and exceptions contained therein, which contract the Merchant and SHGL adopt and incorporate by reference, it being agreed that SHGL's rights and liabilities shall be the same as those of the Subcontractor, provided, however, that in no event shall SHGL's liability exceed US\$1 per pound unless the blank for "Declared Value" on the face of this Bill has been completed and the appropriate ad valorem charges paid.

(3) If it is established that SHGL is liable for the loss, damage or delay to the Goods, and that the loss occurred at any time other than those described in the previous subsections, SHGL's liability shall be limited to US\$1 per pound unless the blank for "Declared Value" on the face of this Bill has been completed and the appropriate ad valorem charges paid.

(4) SHGL shall under no circumstance be liable for indirect or consequential damages or loss of profits, whether or not foreseeable.

(5) Nothing in this Bill shall operate to limit or deprive SHGL of any statutory protection, defense, exemption or limitation of liability authorised by any applicable laws, statutes or regulations of any country or which would have been applicable in the absence of any of the terms set out in this Bill. SHGL shall have the benefit of the said laws, statutes or regulations as if it were the owner of the Vessel.

(6) When any claim is paid by SHGL to the Merchant, SHGL shall be automatically subrogated to all rights of the Merchant against any third party. The Merchant shall sign a subrogation receipt, release and indemnity immediately when requested by SHGL.

33. Notice of Loss/Time Bar: Notice of loss or damage to or delay in the delivery of the Goods shall be given in writing to SHGL or its agent before or at the time of delivery. If the loss or damage is not apparent before or at the time of delivery, notice must be given within three (3) days of delivery to the Merchant or its agent. SHGL shall be discharged from all liability if suit is not commenced within one (1) year after delivery of the Goods or the date that the Goods should have been delivered for claims arising from loss or damage to or delay in the delivery of the Goods during the course of Port-to-Port carriage, or within the shorter of nine (9) months or the shortest time period prescribed by any applicable international convention or national law for claims arising from alleged to loss or damage to or delay in delivery of the Goods in the course of Inland Transport.

34. Governing Law, Jurisdiction and Venue: If this Bill is issued by SHGL (USA), this contract is governed by United States law, and any lawsuit must be filed in the United States District Court for the District of Arizona. If this Bill is issued by SHGL China, this contract is governed by Maritime Law of the People's Republic of China, and any lawsuit must be brought before a maritime court in China.

35. Severability of Terms: The terms of this Bill are severable. If any part or term is declared invalid or unenforceable, the validity or enforceability of any other part or term shall not be affected.