

PART 1

This contract is subject to all the following terms and conditions and the rules, regulations rates and charges in carrier's currently effective applicable tariffs.

Section 1: The carrier or party in possession shall be liable for physical loss of or damage to any articles from external cause while being carried or held in storage-in-transit EXCEPT loss, damage, or delay caused by or resulting:

- (a) From an act, omission, or order of shipper;
- (b) From defect or inherent vice of the article, including susceptibility to damage because of atmospheric conditions such as temperature and humidity or changes therein;
- (c) From (1) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack (A) by any governmental or sovereign power, or by an authority maintaining or using military, naval or air forces; or (B) by military, naval or air forces; or (C) by an agent of any such government, power, authority or forces; (2) any weapon of war employing atomic fission or radioactive force whether in time of peace or war; (3) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such an occurrence; (4) seizure or destruction under quarantine or customs regulations; (5) confiscation by order of any government or public authority; or (6) risks of contraband or illegal transportation or trade.
- (d) For shipments of household goods as defined in 49 USC 10102(10)(A), from delay caused by strikes, lockouts, labor disturbances, riots, civil commotions, or the acts of any person or persons taking part in any such occurrence or disorder, or from loss or damage when carrier, after notice to shipper or consignee of a potential risk of loss or damage to the shipment from such causes, is instructed by the shipper to proceed with such transportation and/or delivery, notwithstanding such risk.
- (e) From Acts of God.

SUBJECT, in addition to the foregoing to the further following limitations on the carrier's or the party's in possession liability:

The carrier's or the party's in possession maximum liability shall be either:

- (1) The lump sum value declared by the shipper, which may not be less than \$5,000 or \$4.00 per pound multiplied by the actual weight of the shipment, in pounds, whichever is greater, or
- (2) The actual loss or damage not exceeding sixty (60) cents per pound of the weight of any lost or damaged article when the shipper has waived lump sum value liability, limited to sixty (60) cents per pound per article, or
- (3) \$1.25 per pound times the shipment weight when the shipper has waived lump sum value liability and has not released the shipment to the carrier, in writing, to sixty (60) cents per pound per article.

EXCEPTION: Carrier's maximum liability for loss or damage occurring while in transit outside of the United States or in the noncontiguous trade of the United States shall be the amount of actual loss or damage not exceeding ten (10) cents per pound of the weight of any lost or damaged article, and in no event shall carrier's liability exceed the minimum liability under the Carriage of Goods by Sea Act of the United States.

Section 2: The carrier shall not be liable for delay caused by highway obstruction, or faulty or impassable highways, or lack of capability of any highway, bridge or ferry, or caused by breakdown or mechanical defect of vehicles or equipment, or from any cause other than negligence of the carrier; nor shall the carrier be bound to transport by any particular schedule, means, vehicle or otherwise than with reasonable dispatch. Every carrier shall have the right in case of physical necessity to forward said property by any carrier or route between the point of shipment and the point of destination.

Section 3: (a) The shipper, upon tender of the shipment to carrier, and the consignee, upon acceptance of delivery of shipment from carrier, shall be liable, jointly and severally, for all unpaid charges payable on account of a shipment in accordance with applicable tariffs including, but not limited to, sums advanced or disbursed by a carrier on account of such shipment. The extension of credit to either shipper or consignee for such unpaid charges shall not thereby discharge the obligation of the other party to pay such charges in the event the party to whom credit has been extended shall fail to pay such charges.

(b) The shipper shall indemnify carrier against loss or damage caused by inclusion in the shipment of explosives or dangerous articles or goods.

Section 4: If for any reason other than the fault of the carrier, delivery cannot be made at the address shown on the face hereof, or at any changed address of which carrier has been notified, carrier, at its option, may cause articles contained in shipment to be stored in a warehouse selected by it at the point of delivery or at other available points, at the cost of the owner, and subject to a lien for all accrued lawful charges

Section 5: If shipment is refused by consignee at destination or if shipper, consignee or owner of property fails to receive or claim it within fifteen (15) days after written notice by United States mail addressed to shipper and consignee at post office addresses shown on the face hereof, or if shipper fails or refuses to pay lawfully applicable charges in accordance with carrier's applicable tariff, carrier may sell the property at its option, either (a) upon notice in the manner authorized by law, or (b) at public auction to highest bidder for cash at a public sale to be held at a time and place named by carrier, thirty (30) days notice of which sale shall have been given in writing to shipper and consignee, and there shall have been published at least once a week for two consecutive weeks in a newspaper of general circulation at or near the place of sale, a notice thereof containing a description of the property as described in the bill of lading, and the names of the consignor and consignee. The proceeds of any sale shall be applied toward payment of lawful charges applicable to shipment and toward expenses of notice, advertising and sale, and of storing, caring for and maintaining property prior to sale, and the balance if any shall be paid to owner of property; PROVIDED that any perishable articles contained in said shipment may be sold at public or private sale without such notices, if, in the opinion of carrier, such action is necessary to prevent deterioration or further deterioration.

Section 6: As a condition precedent to recovery, a claim for any loss or damage, injury or delay, must be filed in writing with carrier within nine (9) months after delivery to consignee as shown on face hereof, or in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed; and suit must be instituted against carrier within two (2) years and one (1) day from the date when notice in writing is given by carrier to the claimant that carrier has disallowed the claim or any part or parts thereof specified in the notice. Where a claim is not filed or suit is not instituted thereon in accordance with the foregoing provisions, carrier shall not be liable and such a claim will not be paid.

PART 11 - CARRIAGE BY SEA

This part applies only to services consisting of transportation by sea, commencing with delivery to dock or warehouse in the port at which carriage by sea commences, to and including receipt and retention at dock or warehouse in the port at which carriage sea terminates. This supersedes other parts hereof to the extent of any inconsistency.

- (1) **CLAUSE PARAMOUNT.** This bill of lading incorporates and is subject to the Carriage of Goods by Sea Act of the United States. The liability of carrier under this bill of lading shall not exceed in any respect the minimum liability imposed on the carrier by or for which the carrier may contract under said Carriage of Goods by Sea Act. The provisions of said act shall govern prior to loading and subsequent to discharge, at all times and places permitted by law, to the fullest extent permitted by law. In the event it is not known whether the loss or damage occurred on land or at sea, the loss or damage shall be presumed to have occurred at sea and the provisions of this part shall apply.
- (2) The carrier customarily transports goods by sea by means of vessels owned and operated by others than itself, and receives bills of lading covering goods so transported from the owner or operator of such vessels. The liabilities of the carrier hereunder shall not exceed the liabilities of said ship owner, or ship operator, under its bill of lading; and if there is any loss, damage to, or delay in delivery, or a failure to deliver goods to shipper pursuant to said bill of lading, for which the owner or operator of said vessel is not liable, carrier shall not be liable
- (3) Goods shipped by sea hereunder are declared by shipper to have a valuation not exceeding ten (10) cents per pound per article unless a higher valuation is noted on the face of the bill of lading and the charge paid for said higher valuation, subject to a maximum liability of \$500 per package when the loss or damage occurs during ocean transportation.
- (4) In no event will carrier's liability exceed the total sum of \$500 per package or if said goods are not shipped in packages, \$500 per customary freight unit. For the purpose of determining carrier's liability under the Carriage of Goods by Sea Act the package shall be the steamship container. Where carrier combines several smaller packages or other units of goods into a container, for transportation by sea, said container shall be deemed to be the package referred to in the Carriage of Goods by Sea Act and carrier's liability shall not exceed \$500. In the event of loss or damage with respect to said package containing the goods of two (2) or more shippers exceeding \$500, the amount, if any, payable by reason of said loss or damage by the carrier shall be prorated between shippers.
- (5) In the event the liability or responsibility of the owner or operator of any vessel transporting said merchandise shall be restricted, reduced, or removed under law limiting the liability of shipper or operator, including without limitation the following statutes: Rev. Stat. Sec. 4282 (the Fire Act); Rev. Stat. Sec. 4382 (the Limitation of Liability Act), the liability of the carrier for loss, damage or destruction of said goods shall not exceed the amount which carrier is able to recover against said ship owner or operator for damage to the goods shipped under this bill of lading. The foregoing shall not constitute a waiver of any rights which carrier may have under said laws, or any other law which may limit its liabilities.
- (6) Suit against carriers must be filed within the time specified in the Carriage of Goods by Sea Act which, for shippers' information only and without responsibility, is stated to be one (1) year from the time when goods are delivered, or should have been delivered, at port of destination. No right given by said statutes is waived hereby.
- (7) General Average shall be payable by shipper according to the terms of the bill of lading issued by the owner or operator of the vessel transporting the goods.