

# Standard Conditions Governing BILLS OF LADING

## Definitions

Merchant means and includes the Shipper the Consignor, the Consignee, the Holder of this Bill of Lading, the Receiver and the Owner in the goods. The Freight Carrier means the issuer of this Bill of Lading as named on the face of it.

A headings set forth below are for easy reference only.

## CONDITIONS

### 1 Applicability

The provisions set out and referred to in this document shall also apply if the transport as described on the face of the Bill of Lading is performed by more than one mode of transport, in which case this document is to be treated for all purposes as a Combined Transport Bill of Lading.

### 2 Issuance of the Bill of Lading

2.1 By the issuance of this Bill of Lading the Freight Carrier:

- undertakes to perform and/or in his own name to procure the performance of the entire transport, from the place at which the goods are taken in charge to the place designated for delivery of this Bill of Lading.
- assumes liability as set out in these conditions.

For the purposes and subject to the provisions of this Bill of Lading, the Freight Carrier shall be responsible for the acts and omissions of any person of whose services he makes use for the performance of the contract evidenced by this Bill of Lading.

### 3 Negotiability and title to the good

3.1 By accepting this Bill of Lading the Merchant and his transferees agree with the Freight Carrier that unless it is marked "non-negotiable", it shall constitute title to the goods and the holder, by endorsement of this Bill of Lading, shall be entitled to receive or to transfer the goods herein mentioned.

3.2 This Bill of Lading shall be prima facie evidence of the taking in charge by the Freight Carrier of the goods as herein described. However, proof to the contrary shall not be admissible when this Bill of Lading has been negotiated or transferred for valuable consideration to a third party acting in good faith.

### 4 Dangerous Goods and Indemnity

4.1 The Merchant shall comply with rules which are mandatory according to the national law or by reason of international Convention, relating to the carriage of goods of a dangerous nature, and shall in any case inform the Freight Carrier in writing of the exact nature of the danger before goods of a dangerous nature are taken in charge by the Freight Carrier and indicate to him, if need be, the precautions to be taken.

4.2 If the Merchant fails to provide such information and the Freight Carrier is in aware of the dangerous nature of the goods and the necessary precautions to be taken and if, at any time, they are deemed to be a hazard to life or property, they may at any place be unloaded, destroyed or rendered harmless, as circumstances may require, without compensation, and the Merchant shall be liable for all loss, damage, delay or expenses arising out of their being taken in charge or their carriage, or of any service incidental thereto.

The burden of proving the Freight Carrier knew the exact nature of the danger constituted by the carriage of the said goods shall rest upon the person entitled to the goods.

4.3 If any goods shipped with the knowledge of the Freight Carrier as to their dangerous nature shall become a danger to the vehicle or cargo, they may in like manner be unloaded or landed at any place or destroyed or rendered innocuous by the Freight Carrier, without liability on the part of the Freight Carrier, except to General Average, if any.

### 5 Description of Goods and Merchant's Packing

5.1 The Consignor shall be deemed to have guaranteed to the Freight Carrier the accuracy, at the time the goods where taken in charge by the Freight Carrier, of the description of the goods, marks, number, quantity, weight and/or volume as furnished by him, and Consignor shall indemnify the Freight Carrier against all loss, damage and expenses arising or resulting from inaccuracies in or inadequacy of such particulars. The right of the Freight Carrier to such indemnity shall in no way limit his responsibility and liability under this Bill of Lading to any person other than the Consignor.

5.2 Without prejudice to Clause 6 (A) (2) (c), the Merchant shall be liable for any loss, damage or injury caused by faulty or insufficient packing of goods or by faulty loading or packing within containers and trailers and on flats when such loading or packing has been performed by the Merchant or on behalf of the Merchant by a person other than the Freight Carrier, or by the defect or unsuitability of the containers, trailers or flats, when supplied by the Merchant, and shall indemnify the Freight Carrier against any additional expenses so caused.

### 6 Extent of Liability

6.A.1. The Freight Carrier shall be liable for loss of or damage to the goods occurring between the time when he takes the goods into his charge and the time of delivery.

6.A.2. The Freight Carrier shall, however, be relieved of liability for any loss or damage if such loss or damage was caused by:

- an act or omission of the Merchant, or person other than the Freight Carrier acting on behalf of the Merchant or from whom the Freight Carrier took the goods in charge;
- insufficiency or defective condition of the packaging or marks and/or numbers;
- handling, loading, stowage or unloading of the goods by the Merchant or any person acting on behalf of the Merchant;
- inherent vice of the goods;
- strike, lockout, stoppage or restraint of labour, the consequences of which the freight Carrier could not avoid by the exercise of reasonable diligence;
- any cause or event which the Freight Carrier could not avoid and the consequences whereof he could not prevent by the exercise of reasonable diligence;
- a nuclear incident if the operator of a nuclear installation or a person acting for him is liable for this carriage under an applicable international Convention or national law governing liability in respect of nuclear energy.

6.A.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 Freight Carrier.

When the Freight Carrier establishes that, in the circumstances of the case, the loss of damage could be attributed to one or more of the cases or 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.

6.B When in accordance with clause 6. A.1 The Freight Carrier is liable to pay compensation in respect of loss or damage to the goods and the stage of transport where the loss or damage occurred is known, the liability of the Freight Carrier in respect of such loss or damage shall be determined by the provisions contained in any international Convention or national law, which provisions.

(i) cannot be departed from by private contract, to the detriment of the claimant.

and  
(ii) would have applied if the claimant had made a separate and direct contract with the Freight Carrier in respect of the particular stage of transport where the loss or damage occurred and received as evidence thereof any particular document which must be issued in order to make such international convention or national law applicable.

### 7. Paramount Clause

The Hague Rules contained in the international Convention for the unification of certain rules relating to Bill of Lading, dated Brussels 25th August 1924, or in those countries where they are already in force the Hague Rules contained in the Protocol of Brussels, dated February 23rd 1968, as enacted in the Country of Shipment, shall apply to all carriage of goods by sea and, where no mandatory international or national law applies, to the carriage of goods by inland waterways also, and such provisions shall apply to all goods whether carried on deck or under deck.

### 8. Limitation Amount

When the Freight Carrier is liable for compensation in respect of loss or damage to the goods, such compensation

shall be calculated by reference to the value of such goods at the place and time they are delivered to the Consignee in accordance with the contract or should have been so delivered.

8.2 The value of the goods shall be fixed according to the current commodity exchange price, or if there be no such price, according to the current market price, or, if there be commodity exchange price or current market price, by reference to the normal value of goods of the same kind and quality.

8.3 Compensation shall not, however, exceed US\$2.00 (Two American Dollar's) per kilo of gross weight, maximum US\$500.00 (Five Hundred American Dollar's) total, of the goods lost or damaged, unless with the consent of the Freight Carrier, the Merchant has declared a higher value for the goods and such higher value has been stated in the Bill of Lading, in which case such higher value shall be the limit. However, the Freight Carrier shall not, in any case, be liable for an amount greater than the actual loss to the person entitled to make the claim.

### 9. Delay, Consequential Loss, etc.

Arrival times are not guaranteed by the Freight Carrier, if the Freight Carrier is held liable in respect of delay, consequential loss or damage other than loss of or damage to the goods, the liability of the Freight Carrier shall be limited to double the Freight for the transport covered by this Bill of Lading, or the value of the goods as determined in Clause 8, whichever is the less.

### 10. Defenses

10.1 The defenses and limits of liability provided for in these Conditions shall apply in any action against the Freight Carrier for loss of or damage or delay to the goods whether the action be founded in contract or in tort.

10.2 The Freight Carrier shall not be entitled to the benefit of the limitation of liability provided for in paragraph 3 of Clause 8 if it is proved that the loss or damage resulted from an act or omission of the Freight Carrier done with intent to cause damage or recklessly and with knowledge that damage would probably result.

### 11. Liability of servants and sub-contractors

11.1 If an action for loss of or damage to the goods, is brought against a person referred to in paragraph 2 of Clause 2, such person shall be entitled to avail himself of the defenses and limits of liability which the Freight Carrier is entitled to invoke under these Conditions.

11.2 However, if it is proved that the loss or damage resulted from an act or omission of this person, done with intent to cause damage or recklessly and with knowledge that damage would probably result, such person shall not be entitled to benefit of limitation of liability provided for in paragraph 3 of Clause 8.

11.3 Subject to the provisions of paragraph 2 of Clause 10 and paragraph 2 of this Clause the aggregate of the amounts recoverable from the Freight Carrier and the persons referred to in paragraph 2 of Clause 2 shall in no case exceed the limits provided for in these Conditions.

### 12. Method and Route of Transportation

The Freight Carrier reserves to himself a reasonable liberty as to the means, route and procedure to be followed in the handling, storage and transportation of goods.

### 13. Delivery

If delivery of the goods or any part thereof is not taken by the Merchant, at the time and place when and where the Freight Carrier is entitled to call upon the Merchant to take delivery thereof, the Freight Carrier shall be entitled to store the goods or the part thereof at the sole risk of the Merchant, where upon the liability of the Freight Carrier in respect of the goods or that part thereof stored as aforesaid (as the case may be) shall wholly cease and the cost of such storage (if paid by or payable by the Freight Carrier or any agent or sub-contractor of the Freight Carrier) shall forthwith upon demand be paid by the Merchant to the Freight Carrier.

### 14. Freight Carrier

14.1 Freight shall be paid in cash without discount and whether prepayable or payable at destination, shall be considered as earned on receipt of the goods and not to be returned or relinquished in any event.

14.2 Freight and all other amounts mentioned in this Bill of Lading are to be paid in the currency named in the Bill of Lading or, at the Freight Carrier's option in the currency of the country of dispatch or destination at the highest rate of exchange for bankers sight bill current for prepayable Freight on the day of dispatch and for Freight payable at destination on the day when the Merchant is notified of arrival of the goods there or on the date of withdrawal of the delivery order, whichever rate is the higher, or at the option of the Freight Carrier on the date of the Bill of Lading.

14.3 All dues, taxes and charges or other expenses in connection with the goods shall be paid by the Merchant.

14.4 The Merchant shall reimburse the Freight Carrier in proportion to the amount of Freight for any costs for deviation or delay or any other increase of costs of whatever nature caused by war, warlike operations, epidemics, strikes, government directions or force majeure.

14.5 The Merchant warrants the correctness of the declaration of contents, insurance, weight, measurements or value of the goods but the Freight Carrier reserves the right to have the contents inspected and the weight, measurements, or value verified, if on such inspection it is found the declaration is not correct it is agreed that a sum equal either to five times the difference between the correct figure and the Freight charged, or to double the correct Freight less the Freight charged, whichever sum is the smaller, shall be payable as liquidated damage to the Freight Carrier for this inspection costs and losses of Freight on other goods notwithstanding any other sum having been stated on the Bill of Lading as Freight payable.

### 15. Lien

The Freight Carrier shall have a lien on the goods for any amount due, under this Bill of Lading including storage fees and the cost of recovering same, and may enforce such lien in any reasonable manner which may be thought fit. The Freight Carrier shall also have a lien for all previously unsatisfied debts due by the cargo owner.

### 16. General Average

The Merchant shall indemnify the Freight Carrier in respect of any claims of a General Average nature which may be made on him and shall provide such security as may be required by the Freight Carrier in this connection.

### 17. Notice

Unless notice of loss of or damage to the goods and the general nature of it be given in writing to the Freight Carrier or the persons referred to in paragraph 2 of Clause 2, at the place of delivery before or at the time of the removal of the goods into the custody of the person entitled to delivery thereof under this Bill of Lading or if the loss or damage be not apparent, within seven consecutive days thereafter, such removal shall be prima facie evidence of the delivery by the Freight Carrier of the goods as described in this Bill of Lading.

### 18. Non-Delivery

Failure to effect delivery within 90 days after the expiry of a time limit agreed and expressed in a Bill of Lading or where no time limit is agreed and so expressed, failure to effect delivery within 90 days after the time it would be reasonable to allow for diligent completion of the combined transport operation shall, in the absence of evidence to the contrary, give to the party entitled to receive delivery, the right to treat the goods as lost.

### 19. Time Bar

The Freight Carrier shall be discharged of all liability under the rules of these Conditions, unless suit is brought within nine months after

- the delivery of the goods or
- the date when the goods should have been delivered, or
- the date when in accordance with clause 18, failure to deliver the goods would, in the absence of evidence to the contrary, give to the party entitled to receive the delivery, the right to treat the goods as lost.

### 20. Jurisdiction

Actions against the Freight Carrier may only be instituted in the country where the Freight Carrier has principal place of business and shall be decided according to the law of such country.