

Ocean Transportation Terms and Conditions

1. Receipt of Goods. Unless otherwise noted on the face of this Bill of Lading, the goods listed on the face hereof have been provided for shipment in external apparent good order and condition by shipper or shipper's agent.

2. Definitions. (1) "Carrier" means MBM International Logistics, LLC. (2) "Carriage" means the whole of the operation and services undertaken or performed by or on behalf of the Carrier with respect to the goods. (3) "Merchant" includes the shipper, the consignor, the consignee, the exporter, the importer, the receiver of the goods, the holder of this Bill of Lading, any person owning or entitled to possession of the goods under this Bill of Lading, any person having a present or future interest in the goods or any person acting on their behalf. (4) "Multimodal Transport" arises when the Place of Receipt and/or Place of Delivery are indicated on the face hereof. (5) "On Board" means on board a vessel or watercraft in the case of port to port shipments, or on board the first means of conveyance in the case of combined or through transport shipments. (6) "Package" is the largest individual unit of partially or completely covered or contained cargo made up by or for the Merchant which is delivered and entrusted to Carrier, including palletized units and each container packed and sealed by the Merchant or on its behalf, although the Merchant may have furnished a description of the contents of such sealed container(s) on this Bill of Lading. (7) "Port to Port" means transport only from the port of loading to the port of discharge.

3. Carrier's Responsibility.

(a) Carrier undertakes to procure the services necessary to effect the entire transport of the cargo from the place where the goods are first accepted for carriage (either Place of Receipt or Port of Loading), to the place where the goods are to be delivered (either the Port of Discharge or Place of Delivery), as indicated on the face hereof. Carrier is responsible for the goods from the time they are received by Carrier until they are made available for Merchant to take delivery, and the Carrier's liability, if any, shall be determined in accordance with the provisions of Paragraphs 4 and 16. The custody and carriage of the goods are subject to the terms and conditions of this Bill of Lading, as well as Carrier's published freight tariffs, rules and regulations. Carrier's tariff shall govern the application of charges for detention, demurrage, and storage. This Bill of Lading shall prevail in the case of an inconsistency between this Bill of Lading and an applicable tariff. Unless otherwise agreed, Carrier does not undertake to procure or arrange for marine insurance relating to the goods.

b) During the period prior to loading onto the vessel and after discharge from the vessel, the Carrier shall be entitled to all rights, defenses, immunities, exemptions, limitations of or exonerations from liability, liberties, and benefits contained in any law compulsorily applicable to any person, contractor or carrier by whom services under this Bill of Lading are procured, performed or undertaken, directly or indirectly, or contained or incorporated in any contract between Carrier and any person, contractor or

carrier, and Carrier shall be liable only on the basis as any other carrier would be liable under such compulsorily applicable law. However, in no event shall Carrier's liability exceed the limit provided for in Paragraph 16(a) hereunder.

4. Clause Paramount. The law applicable to the services performed under this Bill of Lading shall be as follows and shall govern before the goods are loaded on and after they are discharged from the vessel and throughout the time that the goods are in the custody or control of Carrier:

(a) For shipments to or from the United States, the custody and carriage of goods and the liability of Carrier shall at all times be subject to the provisions of the Carriage of Goods by Sea Act of the United States of America approved April 16, 1936 (COGSA) which is incorporated herein as a part of this Bill of Lading.

(b) In all trade except the United States, the Carrier's liability shall be governed by the Hague Rules, as contained in the International Convention for the Unification of Certain Rules Relating to Bills of Lading, August 1924, or the Hague-Visby Rules, as contained in the Protocol of Brussels, February 1968, where compulsory, or if there is no such applicable law, the Hague Rules. The Hague Rules shall also apply to the Carriage of Goods by inland waterways.

(c) If the provisions of any international convention or national law or of a contract between Carrier and a contractor applicable to the stage of carriage during which the loss, damage, misdelivery, or delay occurred would result in liability to the modal carrier, and such liability is less than Carrier's liability as determined under Paragraph 16, then Carrier's liability shall not exceed such lesser amount.

5. Scope of Carriage. The intended carriage shall not be limited to the direct route, but shall also include any deviation for any purpose connected with the service, including maintenance of vessel and/or crew. If at any time the carriage is or is likely to be affected by any hindrance, risk, delay, difficulty or disadvantage of any kind, including strike, lockout or other labor unrest, governmental action, acts of terror, war, riots, ice, quarantine, or the condition of the goods, whenever and however arising, whether or not the carriage has commenced, Carrier may:

(a) without notice to Merchant, abandon the carriage of the goods and where reasonably possible, place the goods or any part of them at Merchant's disposal at any place the Carrier may deem safe and convenient, and the responsibility of Carrier with respect to such goods shall then cease.

(b) without prejudice to the Carrier's right subsequently to abandon the carriage under (a) above, continue the carriage. In any event, Carrier shall be entitled to full freight charges on goods received for

carriage, and Merchant shall pay any additional costs resulting from the above mentioned circumstances.

6. Freight and Charges. (a) Freight and all charges shall be deemed fully earned upon receipt of the goods by Carrier, and shall be paid whether or not the cargo was lost or damaged. Merchant shall be liable to Carrier for freight and all other charges regardless of whether the shipment was prepaid or freight collect. The freight charge has been calculated on the basis of particulars furnished by or on behalf of the Merchant. All sums payable to the Carrier are due on demand and shall be paid in full in United States currency or, at the Carrier's option, in its equivalent in the currency of the Port of Loading or of Discharge or the Place of Receipt or of Delivery or as specified in the Carrier's Tariff.

(b) If the Merchant fails to pay the freight when due he shall be liable also for payment of service fee or interest due on any outstanding sum, reasonable attorney fees, and expenses incurred in collecting any sums due to the Carrier. Payment of freight and all charges to a freight forwarder, broker or anyone other than the Carrier or its authorized agent, shall not be deemed payment to the Carrier and shall be made at the Merchant's sole risk. Merchant shall be liable for all dues, duties, fines, taxes, and charges, including consular fees levied on the goods.

(c) All persons encompassed within the definition "Merchant" as provided by Paragraph 2 of this Bill of Lading shall be jointly and severally liable to Carrier for the payment of all freight and charges, including advances, and shall jointly and severally indemnify Carrier for all claims, fines, penalties, damages, costs and other amounts which may be incurred or imposed upon Carrier by reason of breach of the Merchant of any of the provisions of this Bill of Lading.

(d) All persons encompassed within the definition "Merchant" as provided by Paragraph 2 of this Bill of Lading shall be jointly and severally liable to Carrier for demurrage, detention, general order, advances and any and all costs associated with the abandonment of the freight or a refusal of the consignee to make delivery whether or not the front of this Bill of Lading has been marked "prepaid " or "collect " so long as freight and charges remain unpaid.

(e) Merchant authorizes the Carrier to pay and/or incur all such charges and expenses and to do any matters mentioned above at the expense of and as agent for the Merchant, to engage other persons to regain possession of the goods, and to do all things deemed advisable to the Carrier for payment of all freight and charges and for the performance of the obligation of each of them hereunder.

7. Carrier's Lien. Carrier shall have a lien on the goods, or any part of the goods, and any documents relating thereto for all freight, demurrage, general average, and other charges payable to the Carrier, including attorney's fees and costs. If such claim remains unpaid for thirty (30) days after demand for

payment is made, then Carrier may enforce this lien by public or private sale of the goods or other property belonging to the Merchant which may be in Carrier's possession, without notice, and at Merchant's expense. Any surplus from such sale shall be transmitted to Merchant and Merchant shall be responsible for any deficit.

8. Delivery of Goods. (a) If Merchant refuses or fails to take delivery of the goods upon their being discharged and made available at the Port of Discharge or Place of Delivery as designated, regardless of any free time prescribed by tariff or local regulations, Carrier may, without notice to Merchant, unstuff the goods if necessary, and/or store them at the risk and expense of the Merchant. Such storage shall constitute final delivery under this Bill of Lading, and all liability of Carrier with respect to the goods shall cease.

(b) If containers supplied by or on behalf of the Carrier 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 the Carrier, within the time prescribed. Should a container not be returned in the condition required and/or within the time prescribed in the Tariff, the Merchant shall be liable for any detention, loss or expense incurred as a result thereof.

9. Warehouseman Lien. If goods go into demurrage, Carrier shall assume all rights of warehouseman, and this Bill of Lading shall constitute a warehouseman's non-negotiable receipt. Goods will be delivered to the consignee or other person(s) entitled to receipt of the goods upon payment of all charges due. If goods are not claimed within ten (10) days after demurrage commences, Carrier may exercise its warehouseman's right to sell or auction such goods. Carrier may assert a general lien for charges and expenses in relation to other goods, whether or not these goods have been delivered by Carrier.

10. Description and Stowage of Goods. Merchant warrants the correctness of the declaration of contents, insurance, weight, measurement, and value of the goods, but Carrier reserves the right to have the contents inspected in order to verify the accuracy of said declarations. Merchant shall indemnify and hold Carrier harmless against any loss, damages, and expenses, including attorney's fees, arising or resulting from mis-declarations or inadequacies of such declarations. Carrier shall not be responsible for the safe and proper packing and stowing of the goods in containers, if such containers are packed by the Merchant or Merchant's agent, and no responsibility shall attach to Carrier for any loss or damage caused to contents by such improper or inadequate packing and stowing. Merchant or Merchant's agent shall properly seal containers. Acceptance and packing shall be prima facie evidence that the containers were sound, clean, and suitable for use, and shall relieve Carrier of responsibility for any damage to the goods resulting from the condition of the containers used. Merchant shall indemnify and hold Carrier harmless for any injury, loss or damage, including attorney's fees arising from Merchant's failure to properly describe, label, stow or secure the goods in containers, and also for damage or expense caused by the goods to the containers, other property or for injury or death to persons.

11. Hazardous Cargo. Goods of an inflammable, explosive, radioactive, corrosive, toxic or other dangerous nature may not be tendered for carriage unless written notice of their nature and proper hazardous classifications sufficient to provide Carrier with all information necessary to evaluate the risk of carriage has been given to Carrier, and Carrier has given written consent. The nature and risk of the cargo must be clearly marked on the outside of the packages. The goods must be properly packed to prevent any damage to the Carrier, all other persons, and the environment. All notices, disclosures, marks, and packing shall, at a minimum, meet all applicable regulations or statutes. Merchant shall be responsible for all damages, including consequential damages, and expenses arising out of its failure to comply with the foregoing provisions of this paragraph, and shall indemnify and hold Carrier harmless from any resulting loss, damage or expense, including attorney's fees.

12. Temperature Controlled Cargo. Merchant shall not tender for carriage any goods which require temperature control without previously giving written notice of their nature, and the particular temperature range to be maintained by Carrier. Carrier shall not be liable for any loss or damage to these goods arising from Merchant's failure to comply with these requirements, or from defects, faults, breakdown, stoppage of the temperature controlling machinery, plant, insulation, or any apparatus of the container.

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

14. Methods of Transportation, Stowage, Deck Cargo. Carrier may, at its sole discretion and without notice to Merchant, use any means of transport or stowage whatsoever, load or arrange for the carriage of the goods on any vessel whether named in this Bill of Lading or not. Carrier shall have the right to arrange for carriage of goods on deck without notice to Merchant. Carrier may stow the goods into containers together with other goods.

15. General Average. Merchant shall indemnify Carrier in respect to any claims of a general average nature which may be made on Carrier and shall provide security as may be required by Carrier in this connection. Goods and/or containers shall contribute and participate in general average whether carried on or under deck.

16. Limitation of Liability and Compensation. (a) Except as provided in 16(b) and (c) hereunder, compensation to Merchant for loss or damage to the goods shall be determined as follows: (i) For shipments to or from the United States, COGSA applies and Carrier's liability shall not exceed US \$500

per Package, or in case of goods not shipped in a Package, US \$500 per customary freight unit. (ii) Where the Hague Rules or Hague-Visby applies, the Carrier's liability shall not exceed GBP 100 per Package or customary freight unit. (iii) In all other cases, Carrier's liability shall not exceed the limitation of liability of two Special Drawing Rights (SDRs) of the International Monetary Fund (IMF) per kilogram of gross weight or 666.67 SDRs per package, whichever is less.

(b) The Carrier's liability may be increased to a higher value by a declaration in writing of the value of the goods by the Merchant upon delivery to the Carrier of the goods for shipment. If the Merchant has declared a higher value of the goods (not to exceed the market value) and such higher value has been inserted on the face of the Bill of Lading and extra freight has been paid, if required, then Carrier's liability for loss or damage shall not exceed the declared value and any partial loss or damage shall be adjusted pro rata on the basis of the declared value.

(c) Carrier shall not be liable for any loss or damage arising from: (i) an act or omission of Merchant or person acting on behalf of Merchant; (ii) compliance with the instructions of any person authorized to give them; (iii) handling, loading, stowage or unloading of the goods by or on behalf of Merchant; (iv) the inherent vice of the goods; (v) lack or insufficiency of or defective condition of packing in the case of goods; (vi) insufficiency or inadequacy of marks or numbers on the goods, coverings or unit loads; (vii) fire, unless caused by actual fault or privity of Carrier; (viii) any cause or event which Carrier could not avoid and the consequences of which Carrier could not prevent by the exercise of due diligence; and (ix) any other cause or event for which Carrier shall be exonerated from liability under any applicable governing law. When any claims are paid to Merchant by Carrier, Carrier shall automatically be subrogated to all rights of Merchant against all others, including inland carriers, on account of the losses or damages for which such claims are paid.

17. Third Parties Defenses and Limitations. Any participating carrier, master, servant, agent, independent contractor, subcontractor, insurer or any other person engaged or employed by Carrier in connection with carriage under this Bill of Lading shall be entitled to all defenses and limitations to which Carrier is entitled under this Bill of Lading and the applicable law. For this purpose, this contract shall be deemed to have been made on behalf of any such person, and such person shall be a party to this Bill of Lading. In no event shall the aggregate of the amounts recoverable from Carrier and any other persons exceed the limits established in this Bill of Lading.

18. Notice of Loss or Damage. Unless notice of loss or damage that is apparent, and the nature of such loss or damage is given in writing to Carrier before or at the time of delivery of the goods, Carrier shall be deemed to have delivered the goods as described in the Bill of Lading. Notice of loss or damage that is not apparent must be given within three (3) days of delivery. All notices of loss or damage must be sent to the "For Delivery, Apply To" address indicated on the face of the Bill of Lading or, if blank, to MBM International Logistics, LLC., 3540 Empire Boulevard SW, Atlanta, GA 30354 U.S.A.

19. Claims. All claims for loss or damage of cargo must be filed with Carrier who will be solely responsible to process them to conclusion. Carrier shall be subrogated automatically to all rights of the Merchant as against all others, including but not limited to underlying carriers, with respect to such claims. All notices of claims must be sent to MBM International Logistics, LLC., 3540 Empire Boulevard SW, Atlanta, GA 30354 U.S.A

20. Time Bar. Carrier shall be discharged from all liability unless suit is brought within twelve (12) months after the date of delivery of the goods, or after the date when the goods should have been delivered. Suit shall not be deemed brought against Carrier until jurisdiction shall have been obtained by service of process on Carrier.

21. Carrier's tariff(s) and terms and conditions of service. The goods carried under this Bill of Lading are also subject to all the terms and conditions of the tariff(s) on file pursuant to the regulations of the United States Federal Maritime Commission or any other regulatory agency which governs a particular portion of the carriage and the terms are incorporated herein as part of the terms and conditions of this Bill of Lading. Copies of the Carrier's tariff(s) may be obtained from Carrier or its agents upon request or from the governmental body with whom the tariff has been filed. In the case of inconsistency between this Bill of Lading and the applicable tariff or the terms and conditions of service, this Bill of Lading shall prevail.

22. Place of Suit. All lawsuits arising out of or related to carriage provided under this Bill of Lading shall be brought in the United States District Court for the District of Minnesota.

23. Consequential Loss or Delay. Carrier does not undertake or agree to deliver the goods at the Port of Discharge or Place of Delivery at any particular time or to meet any particular market or use and Carrier does not accept responsibility for any direct, indirect or consequential loss or damage sustained by Merchant through delay, or for indirect or consequential loss or damage through any other cause unless Carrier is responsible for consequences of delay or other cause under any statute, law, agreement or conventions of a mandatory nature. If Carrier is found liable for delay, its liability is limited to the freight charges of the shipment(s) involved.

24. Failure to Notify. Carrier does not accept responsibility for failure to notify the Merchant or others concerned with the arrival of the goods.

25. Application of Defenses. All defenses and limits of liability shall apply in any action against Carrier arising out of or related to carriage under this Bill of Lading whether the action be founded in contract or in tort.

26. Validity. The terms of this Bill of Lading are intended to be separate and if, for any reason, any one or more of them shall be held invalid or unenforceable, in whole or in part, it is agreed that the same shall not be held to effect the validity or enforceability of any other covenant in this Bill of Lading. The terms and conditions of this Bill of Lading supersede any other agreements with respect to carriage of the goods. No servant or agent of Carrier shall have power to waive or alter any of the terms herein unless such waiver or alteration is in writing and is specifically authorized or subsequently ratified in writing by Carrier.

27. Carrier Affiliates and Agents. Carrier's affiliated companies, including but not limited to MBM International Logistics, LLC., ("Affiliates"), as well as third party agents authorized by and working on behalf of Carrier ("Authorized Agents"), may issue this Bill of Lading to effect the transport contemplated by such Affiliates and/or Authorized Agents and will possess the same rights and protections under these terms and conditions afforded the Carrier.