

All information contained within this tariff is true and accurate and no unlawful alterations will be permitted.

**NVOCC NON-VESSEL OPERATING COMMON CARRIER
RULES TARIFF FMC-002**

**NAMING
RULES AND REGULATIONS**

BETWEEN US PORTS & POINTS AND WORLDWIDE PORTS & POINTS

A. Carrier has opted to be exempt from tariff publication requirements per 46 C.F.R. §520 and 532. In that respect Carrier has opted for exclusive use of Negotiated Rate Arrangements (“NRAs”) effective **July 1, 2012**.

B. NVOCC NRA means the written and binding arrangement between an NRA shipper and an eligible NVOCC to provide specific transportation service for a stated cargo quantity, from origin to destination on and after receipt of the cargo by the Carrier or its agent. (originating carrier in the case of through Transportation.

C. Carrier’s Rules are provided free of charge to Shipper at www.falcon-us.com containing the terms and conditions governing the charges, .classifications, rules, regulations and practices of Carrier.

D. Carrier shall issue booking confirmations which will constitute an offer by Carrier to Shipper of transportation services pursuant to 46 C.F.R.§520.13 and §532 agreed to by Shipper. The terms contained in the ` Booking Confirmation shall be a valid offer for ninety days from the booking date. Carrier's or Carrier's agent's receipt of cargo for this shipment constitutes acceptance by Shipper of this offer, and the terms of the NRA shall bind the parties.

E. Rates may not be modified in an NRA after the time the initial shipment is received by the Carrier or its agent (including originating carriers in the case of through transportation.

F. The writings provided in Carrier’s Quotations, Booking Confirmations, Shipper’s Letters of Instructions and e-mail exchanges between the Carrier and the shipper cumulatively contain offer(s) by Carrier pursuant to an FMC NRA exemption per 46CFR§532.6. Acceptance of the quotation shall become binding on all parties after receipt of the cargo by the carrier or its agent (or the originating carrier in the case of through transportation). If the terms and conditions contained in the aforementioned documents do not reflect Shipper’s understanding, Shipper must notify Carrier immediately.

RULE 1: GEOGRAPHIC SCOPE

This tariff covers the transportation of the commodities listed herein between all ports and points in the United States and all ports and points worldwide. Carrier offers service only on those routings for which rates are published herein.

RULE 2: APPLICATION OF RATES AND CHARGES

2.1 Rates apply on either a per container or weight/measurement basis. Except as provided in an individual TRI, whenever ocean freight and assessorial charges are assessed on a weight/measurement basis, same shall be assessed on the gross weight or the overall measurement of the cargo, whichever computation produces the greater revenue to the Carrier. As used in the context of weight/measurement rates, references to "W" and "M" mean 1,000 kilos and 1 cubic meter, respectively.

2.2 Rates are either "port," "ramp" or "door."

(A) With respect to rates at origin:

- (i) Rates that are "port" at origin apply from the ocean terminal at the port of loading.
- (ii) Rates that are "ramp" at origin apply from the inland rail carrier's ramp at the place of receipt of the cargo by Carrier.
- (iii) Rates that are "door" at origin apply from the location at which the container is stuffed and at which Carrier takes possession of the cargo.

All transportation of cargo prior to the point at which Carrier's rates begin to apply as set forth above shall be at the risk and expense of Merchant.

(B) With respect to rates at destination:

- (i) Rates that are "port" at destination apply to the ocean terminal at the port of discharge.
- (ii) Rates that are "ramp" at destination apply to the inland rail carrier's ramp at the place of delivery.
- (iii) Rates that are "door" at destination apply to Merchant's facility at the place of delivery.

All transportation of cargo subsequent to the point at which Carrier's rates cease to apply as set forth above shall be at the risk and expense of Merchant.

2.3 Except as otherwise provided, all "Port" (i.e., Port-to-Port) rates published herein apply from/to places where the common carrier originates or terminates its actual, ocean carriage of cargo. Tolls, Wharfage, Cost of Landing, and all other expenses beyond the port terminal area are for the account of Owner, Shipper or Consignee, of the cargo and all such expenses levied in the first instance against the Carrier will be billed in an equal amount to the Owner, Shipper, or Consignee of the cargo .

The "Point" (i.e. Port-to-Point, Point-to-Point, Point-to-Port) rates named in this Tariff are applicable From/To Inland Points which lie beyond port terminal areas. Such rates will be shown as single-factor through rates or combination through rates constructed by the addition of applicable inland rate factors. Such rates shall be inclusive of all charges pertinent to the transportation of cargo (including intermediate but not Origin or Destination Terminal Charges) but not including Customs clearance assessments or Forwarding Charges except as provided.

Alternatively, at shipper's request, carrier will arrange for inland transportation as shipper's agent. All associated costs will be for the account of the cargo. Overland carriers will be utilized on an availability of service basis and not restricted to any preferred Carriers, except as Ocean Carrier deems necessary to guarantee safe and efficient movement of said cargo. Carrier shall not be obligated to transport the goods in any particular type of container or by any portion of the transportation of the goods shall be within the sole discretion of the Ocean Carrier.

2.4 Packages containing articles of more than one description shall be rated on the basis of the rate provided for the highest rated articles contained therein.

2.5 Rates as published herein do not include Marine Insurance or Consular Fees.

2.6 Description of commodities shall be uniform on all copies of the Bill of Lading and MUST be in conformity with the validated United States Import/Export Declaration covering the shipment. Carrier must verify the Bill of Lading description with the validated United States, Import/Export Declaration. Shipper amendments in the description of the goods will only be accepted if validated by United States Customs. Trade names are not acceptable commodity descriptions and shippers are required to declare their commodity by its generally accepted generic or common name.

2.7 Unless otherwise specified, when the rates in this Tariff are based on the value of the commodity, such commodity value, will be the F.O.B. or F.A .S. value at the port of loading as indicated on the Commercial Invoice, the Custom Entry, the Import/Export Declaration or the Shipper's Certificate of Origin. The F.O.B. value and the F.A.S. value include all expenses up to delivery at the Loading Port.

2.8 The rates shown in this Tariff except where predicated on specifically lower values or on an ad valorem basis; are subject to Bill of Lading limit of value.

2.9 Except as otherwise provided, rates published in this Tariff apply only to the specific commodity named and cannot be applied to analogous articles. Unless a commodity is specifically provided for, the Cargo, N.O.S., Dangerous/Hazardous Cargo, N.O.S., Refrigerated Cargo, N.O.S. rate will apply (for definition of Dangerous/Hazardous Cargo, N.O.S., See Rule 16).

2.10 Wherever rates are provided for articles named herein, the same rate will also be applicable on parts of such articles where so described in the ocean bill of lading, except where specific rates are provided for such parts.

2.11 FORCE MAJEURE CLAUSE: "Without prejudice to any rights or privileges of the Carrier's under covering Bills of Lading, dock receipts, or booking contracts or under applicable provisions of law, in the event of war, hostilities" warlike operations, embargoes, blockades, port congestion, strikes or labor disturbances, regulations of any governmental authority pertaining thereto or any other official interferences with commercial intercourse arising from the above conditions and affecting the Carrier's operations, the Carrier reserves the right to cancel any outstanding booking or contract in conformity with Federal Maritime Commission Regulations."

2.12 When a commodity can properly be carried under more than one tariff item, but which by its nature is clearly influenced by its end use, the freight shall be assessed based on the rate of the end use commodity eg:

Rubber Gloves, Cotton Gloves, etc. would all be rated under "Gloves, NOS" rather than Rubber Goods, Textiles, etc.

The above does not apply in cases where there is a specific tariff rate for the commodity in question

eg: If the tariff contains a rate for Rubber Gloves, than this rate will apply - and NOT the Gloves, NOS rate.

2.13 When two or more' rates may be applicable to a given shipment and one rate is more specific than the others, the specific rate shall apply.

One rate is more specific than another when it describes the commodity being shipped more explicitly, ie: Canned Pineapple is more specific than Canned Fruit or Canned Goods, NOS.

A rate to a specific destination is more specific than a rate to a geographic range or zone, ie: A rate to New York, NY is more specific than a rate to East Coast Ports.

2.14 Any Tollage, Wharfage, Handling and/or other charges assessed against the cargo at Ports of Loading/Discharge will be for the account of the cargo. Any Tollage, Wharfage, Handling and/or Charges at Port of Loading in connection with storage handling and receipt of cargo before loading on the vessel shall be for the account of the cargo.

Any Additional Charges which may be imposed upon the cargo by Governmental Authorities will be for the account of the cargo.

RULE 3: RATE APPLICABILITY RULE

The tariff rates, rules and charges applicable to a given shipment must be those published and in effect when the cargo is received by the common 'carrier or its agent (including originating carriers in the case of rates for through transportation). A shipment shall not be considered as "received" until the full bill of lading quantity has been received.

RULE 4: MINIMUM BILL OF LADING CHARGES

The minimum charge per Bill of Lading, unless otherwise provided, shall be \$450.00.

Unless otherwise provided in the relevant TRI/NRA, the minimum ocean freight and charges to be assessed with respect to cargo moving under a bill of lading shall be the freight and charges applicable to 1,000 kilos or one cubic meter.

RULE 5: PAYMENT OF FREIGHT CHARGES

5.1 Except as otherwise provided in the relevant TRI/NRA, all freight and charges to destination shall be considered earned and shall be payable by Merchant, without refund or offset in whole or in part, upon receipt of the goods by Carrier or its agent. [NOTE: THE FOREGOING MAKES ALL FREIGHT "PREPAID." A CARRIER MAY WISH TO HAVE FREIGHT AND CHARGES ON SOME ROUTINGS PAYABLE ON ONE BASIS (E.G., FREIGHT PREPAID) AND FREIGHT AND CHARGES ON OTHER ROUTINGS PAYABLE ON A DIFFERENT BASIS (E.G., FREIGHT COLLECT). THE CARRIER MAY ALSO WISH TO HAVE A PORTION OF THE FREIGHT OR CHARGES PAYABLE ON A PREPAID BASIS, AND SOME PAYABLE ON A COLLECT BASIS, E.G., A DESTINATION HANDLING CHARGE. THESE ARE ALL PERMISSIBLE, BUT WOULD NEED TO BE REFLECTED IN THIS RULE AND/OR THE RELEVANT TRI/NRAs.]

5.2 All freight and other charges on the Bill of Lading are to be prepaid and due and payable in lawful currency of the United States when billed. Collect shipments can be accepted only by prior agreement in which case the rate of exchange ruling the day of receipt of cargo by carrier, in accordance with rule 3 shall apply.

Both Shipper and Consignee of the goods or articles shipped shall be liable jointly and severally for all unpaid charges payable on account of a shipment pursuant to applicable tariffs including, but not confined to, sums advanced or disbursed by Carrier on account of such shipment. Payment shall be made to Carrier or its agent at origin either in U.S. currency or its equivalent in local currency at the free market exchange rate at the close of business of the day before payment.

5.3 The Creditor will be absolutely and unconditionally responsible for the payment of all freight charges that become due. All Charges shall be paid within thirty

(30) days from the date of invoice. Thereafter, the interest shall accrue on the outstanding balance at a rate of 1.5% per month until the debt is paid in Full. Hereinafter, the past due balance and the accrued interest shall be referred to as the "outstanding balance". If payment is not received, Falcon Maritime and Avition incorporated reserves the right to:

1) File a formal complaint with the Federal Maritime Commission (FMC) under Section 11 of the Shipping Act of 1984.

2) Pursue a claim against the bond of an Ocean Transportation Intermediary (OTI). In addition to the outstanding balance, the Creditor will be responsible to reimburse Falcon Maritime and Avition Incorporated for its collection costs and expenses – including reasonable attorneys' fees.



Falcon Credit
Application.doc

RULE 6: BILL OF LADING

6.1 The following is a sample copy of Carrier's bill of lading:

OTI # 023958N SCAC: FMAA

(718) 723-3816

| | | | |
|--|--------------------------------------|---|-------------------------------------|
| (2) SHIPPER/EXPORTER (COMPLETE NAME AND ADDRESS) | | (5) BOOKING NO. | (5A) BILL OF LADING NO. |
| (3) CONSIGNEE (COMPLETE NAME AND ADDRESS) | | (6) EXPORT REFERENCES | |
| | | (7) FORWARDING AGENT/ FMC NO. | |
| (4) NOTIFY PARTY (COMPLETE NAME AND ADDRESS) | | (8) POINT AND COUNTRY OF ORIGIN | |
| | | (9) ALSO NOTIFY - ROUTING INSTRUCTIONS | |
| (12) INITIAL CARRIAGE BY (MODE) ¹ | (13) PLACE OF INITIAL RECEIPT | (9A) FINAL DESTINATION (OF THE GOODS NOT THE SHIP) | |
| (14) VESSEL VOY FLAG | (15) PORT OF LOADING | (10) LOADING TERMINAL | (10A) ORIGINAL(S) TO BE RELEASED AT |
| (14) PORT OF DISCHARGE | (17) PLACE OF DELIVERY BY ON-CARRIER | (11) TYPE OF MOVE (IF MIXED, USE BLOCK 20 AS APPROPRIATE) | |

| MKS. & NOS./CONT. NOS. (18) | NO. OF PKGS. (19) | DESCRIPTION OF PACKAGES AND GOODS (20) | GROSS WEIGHT (21) | MEASUREMENT (22) |
|--------------------------------|----------------------|---|----------------------|---------------------|
| | | | | |

| | | |
|------------------------|---|------------------------------|
| (23) DECLARED VALUE \$ | IF SHIPPER ENTERS A VALUE CARRIER'S "PACKAGE" LIMITATIONS OF LIABILITY DOES NOT APPLY AND THE AD VALOREM RATE WILL BE CHARGED | (24) FREIGHT PAYABLE AT / BY |
|------------------------|---|------------------------------|

| FREIGHT CHARGES | RATED AS | PER | RATE | PREPAID | COLLECT | CURRENCY / RATE OF EXCHANGE |
|-----------------|----------|-----|------|---------|---------|---|
| | | | | | | CARGO LIABLE FOR ANY FINES IMPOSED BY DESTINATION PORTS AUTHORITY FOR NON COMPLIANCE OF THEIR RULES |

NON - NEGOTIABLE

| | | | | |
|--|--|--------|---------------|--|
| <small>THE RECEIPT, CARRIER'S LIABILITY AND DELIVERY OF THE GOODS ARE SUBJECT TO THE TERMS APPLICABLE TO THE FACTS AND CARRIERS' APPLICABLE TARIFF, ACCESSORY PROSE</small> WWW.FALCON-USA.COM WWW.CARGOSPHERE.NET/FALCON In witness whereof (3) THREE AVAILABLE UPON REQUEST BY CARRIER <small>Original bills of lading all the same tenor and date</small> one of which being accomplished the others to stand void, have been issued by Falcon Express Lines, Inc. or its designated agent on behalf of itself, other participating carriers, the vessel, her master and agents or charterers. BILL OF LADING NO. | | TOTALS | DATE 00/00/00 | BY FALCON MARITIME AND AVIATION, INC. |
|--|--|--------|---------------|--|

¹ APPLICABLE ONLY WHEN USED FOR MULTIMODAL OR THROUGH TRANSPORTATION
² INDICATE WHETHER ANY OF THE CARGO IS HAZARDOUS MATERIAL UNDER DOT, IMDG OR OTHER REGULATIONS AND INDICATE CORRECT COMMODITY NUMBER IN BOX 25.

All property to be transported shall be held, carried and delivered subject to the provisions of the Carrier's applicable form of Bill of Lading as per above Terms and Conditions which are also available on our website www.falcon-us.com.

All property to be transported shall be held, carried and delivered subject to the provisions of the Carrier's applicable form of Bill of Lading as follows:

1. (a) Except as otherwise provided herein, this Bill of Lading shall have effect subject to the provisions of the Carriage of Goods by Sea Act of the United States of America, approved April 16, 1936, which shall be deemed to be incorporated herein, and nothing herein contained shall be deemed a surrender by the Carrier of any of its rights or immunities or an increase of any of its responsibilities or liabilities under said Act. The provisions stated in said Act (except as otherwise specifically provided herein) shall govern before loading on and after discharge from the vessel and throughout the entire time the Goods are in the custody of the Carrier. If this Bill of Lading is issued or delivered in a locality where there is in force a compulsorily applicable Carriage of Goods by Sea Act, Ordinance or Statute of a nature similar to the International Convention for the Unification of Certain Rules Relating to Bills of Lading dated at Brussels, August 25, 1924, it shall be subject to the provisions of said Act, Ordinance or Statute and rules thereto annexed.
- (b) The Carrier shall be entitled to the full benefit of, and right to, all limitations of, or exceptions from, liability authorized by any provisions of Sections 4281 to 4288, inclusive, of the Revised Statutes of the United States and amendments thereto and of any other provisions of the laws of the United States or of any other country whose laws shall apply.

2. In this Bill of Lading

- (a) "Carrier" means and includes the Carrier named on the face side hereof, the vessel, her owner, Master, operator, demise charterer, and if bound hereby, the time charterer, and any substitute Carrier whether the owner, operator, charterer or Master shall be acting as carrier or bailee.
- (b) "Vessel" means and includes the ocean vessel on which the Goods are shipped, named on the face hereof, or any substitute vessel, also any feedership, ferry, barge, lighter or any other watercraft used by the Carrier in the performance of this contract.
- (c) "Merchant" means and includes the shipper, the consignee, the receiver, the holder of this bill of lading, the owner of the Goods or person entitled to the possession of the Goods and the servants or agents of any of these.
- (d) "Charges" means and includes freight and all expenses and money obligations incurred and payable by the Merchant.
- (e) "Goods" means and includes the cargo received from the shipper and described on the face side hereof and any Container not supplied by or on behalf of the Carrier.
- (f) "Container" means and includes any container, van, trailer, transportable tank, flat, pallet or any similar article of transport.
- (g) "Person" means and includes an individual, corporation, partnership or other entity as the case may be.

(h) "Participating Carrier" means and shall include any other water, land or air carrier performing any stage of the Combined Transport.

3 It is understood and agreed that other than the said Carrier, no person whatsoever (including the Master officers and crew of the vessel, all servants, agents, employees, representatives, and all stevedores, terminal operators, crane operators, watchmen, carpenters, ship cleaners, surveyors and other independent contractors whatsoever) is or shall be deemed to be liable with respect to the goods as carrier, bailee or otherwise howsoever in contract or in tort. If, however, it should be adjudged that any other than said carrier is under any responsibility with respect to the Goods, all limitations of and exonerations from liability provided by law or by the terms hereof shall be available to such other persons as herein described in contracting for the foregoing exemptions, limitations and any exonerations from liability, the Carrier is acting as agent and trustee for and on behalf of all persons described above, all of whom shall to this extent be deemed to be a party to this contract evidenced by this Bill of Lading it being always understood that said beneficiaries are not entitled to any greater or further exemptions immunities or exonerations from liability than those that the Carrier has under this Bill of Lading in any given situation.

4. Subject to all rights, privileges, and limitations of and exonerations from liability granted to the ocean carrier under this Bill of Lading or by law, any liability by the respective participating carriers for loss or damage to the Goods or packages carried hereunder shall be governed by the following:

(a) If loss or damage occurs while the goods or packages are in the custody of the ocean carrier, only the ocean carrier shall be responsible therefore, and any liability of the ocean carrier shall be determined by the terms and conditions of this Bill of Lading and any law compulsorily applicable.

(b) If loss or damage occurs while the Goods or packages are in the custody of a participating domestic or foreign Carrier, only the participating domestic or foreign Carrier(s) shall be responsible therefore and any liability of such participating domestic or foreign Carrier(s) shall be determined, in respective order, by the terms, conditions and provisions of the applicable participating domestic or foreign Carrier's Bill(s) of Lading, whether issued or not, tariff(s) and law compulsorily applicable in the circumstances.

(c) Notwithstanding subdivision (a) and (b) hereof, it is contemplated that the Goods or packages will from time to time be carried in through transportation that will include inland transportation within the United States by Railroad and sea carriage by one or more of the other Carriers above defined. (When used on or endorsed on this Bill of Lading the words "on board" shall mean and include on board the original carrying vessel whenever Goods or packages are being transported from a foreign port or place to the continental United States, but when the Goods or packages are being transported from the continental United States to a foreign port or place "on board" shall mean and include on board a rail car operated by the originating carrier and enroute by rail to the port of loading for loading on board the Carrier's or participating Carrier's vessel.)

(d) If loss or damage occurs after receipt of the Goods or packages hereunder and it cannot be determined from the records of the ocean Carrier or participating domestic or foreign Carrier(s) whether such damage or loss

occurred during ocean, domestic or foreign carriage, it shall be conclusively presumed that the loss or damage occurred on board the vessel and while the Goods or packages were in the custody of the ocean Carrier.

(e) At all times when the Goods or packages are in the custody of the above-mentioned participating domestic or foreign Carriers such Carriers shall be entitled to all the rights, defenses, exceptions from or limitations of liability and immunities of whatsoever nature referred to or incorporated herein applicable or granted to the Carrier as herein defined, to the full extent permitted to such domestic and foreign Carriers under the Bill(s) of Lading, tariffs, and any other laws applicable or relating thereto, provided however, that nothing contained in this Bill of Lading shall be deemed a surrender by these domestic or foreign Carriers of any of their rights and immunities or an increase of any of their limitations of and exonerations from liability under their said Bill(s) of Lading, tariffs or laws applicable or relating to said carriage.

(f) In making any arrangements for transportation by participating domestic or foreign Carriers of the Goods or packages carried hereunder, either before or after ocean carriage, it is understood and agreed that the ocean Carrier acts solely as agent of the Merchant, without any other responsibility whatsoever, and it assumes no responsibility as Carrier for such domestic or foreign transportation.

(g) Notice of loss or damage and claim against the ocean Carrier, where applicable, shall be given to the ocean Carrier and suit commenced as provided for in Clauses 30 and 31 hereof. Notice of loss or damage against the participating domestic or foreign Carrier(s) where applicable shall be held with the participating domestic or foreign Carrier(s) and suit commenced as provided for in the terms, conditions and provisions of said Carrier(s) Bill(s) of Lading or by law applicable thereto as is understood by the Merchant that such terms, conditions and provisions, as they pertain to notice of, and claim for loss or damage and commencement of suit contain different requirements than those requirements pertaining to ocean Carriage as contained in Clauses 30 and 31 hereof.

5. The goods carried hereunder are subject to all of the terms and provisions of the Carrier's applicable Tariff or Tariffs on file with the Federal Maritime Commission, Interstate Commerce Commission or any other regulatory body which governs a particular portion of this carriage, and the terms and provisions of the said Tariff or Tariffs are hereby incorporated herein as part of the Terms and Conditions of this Bill of Lading. Copies of the relevant provisions of the applicable Tariff or Tariffs are obtainable from the Carrier, Federal Maritime Commission, Interstate Commerce Commission or other regulatory body upon request. In the event of any conflict between the terms and provisions of such Tariff or Tariffs and the Terms and Conditions of this Bill of Lading, this Bill of Lading shall prevail.

6. The Merchant warrants that in agreeing to the Terms and Conditions hereof, he is, or has the authority of, the person owning or entitled to the possession of the Goods and this Bill of Lading.

7. (a) The Carrier shall be entitled to sub-contract on any terms the whole or any part of the carriage, loading, unloading, storing, warehousing, handling and any and all duties whatsoever undertaken by the Carrier in relation to the Goods.

(b) As to through transportation, the Carrier undertakes to procure such services as necessary and shall have the right at its sole discretion to select any mode of land, sea or air transport and to arrange participation by other Carriers to accomplish the combined transport from place of receipt to place of delivery. Whenever any stage of the combined transport is accomplished by any land or sea Carrier or any other water Carrier, each such stage shall be controlled according to any law compulsorily applicable to such stage and according to the contracts, rules and tariffs of each participating Carrier, the same as if such contracts, rules and tariffs were fully set forth herein.

8. The Carrier shall be entitled but under no obligation to open any Container at any time and to inspect the contents unless applicable law prohibits same. If it thereupon appears that the contents or any part thereof 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 its contents or any part thereof, the Carrier may abandon the transportation thereof and/or take any measures and/or incur any reasonable additional expense to carry or to continue the carriage or to store the same ashore or afloat under cover or in the open, at any place which storage shall be deemed to constitute due delivery under this Bill of Lading. The Merchant shall indemnify the Carrier against any reasonable expense so incurred.

9. Carrier may containerize any Goods or packages. Containers may be stowed on deck or under deck and when so stowed shall be deemed for all purposes to be stowed under deck, including for General Average and U.S. Carriage of Goods by Sea Act, 1936, and similar legislation.

10. Deck cargo (except goods carried in containers on deck) and live animals are received and carried solely at Merchant's risk (including accident or mortality of animals), and the Carrier shall not in any event be liable for any loss or damage thereto arising or resulting from any matters mentioned in Section 4, Sub-Section 2(a) to (p), inclusive, of the United States Carriage of Goods by Seas Act, or from any other cause whatsoever, not due to the fault of the Carrier, any warranty of seaworthiness in the premises being hereby waived, and the burden of proving liability being in all respects upon the Merchant. Except as provided above, such shipments shall be deemed Goods and shall be subject to all terms and provisions of this Bill of Lading relating to Goods.

11. Special containers with heating or refrigeration units will not be furnished unless contracted for expressly in writing at time of booking and, when furnished, may entail an increased freight rate or charge. Shipper shall advise Carrier of desired temperature range when delivering Goods to Carrier, and Carrier shall exercise due diligence to maintain the temperature within a reasonable range while the containers are in its custody or control. The Carrier does not, however, accept any responsibility for the functioning of heated or refrigerated containers not owned or leased by Carrier.

12. The scope of the voyage herein contracted for shall include usual or customary or advertised ports of call whether named in this contract or not, also ports in or out

of the advertised, geographical or usual route or order, even though in proceeding thereto the vessel may sail beyond the port of discharge named herein or in a direction contrary thereto, or return to the original port or depart from the direct or customary route and includes all canals, straits, and other waters. The vessel may call at any port for the purpose of the current, prior or subsequent voyages. The vessel may omit calling at any port whether scheduled or not, and may call at the same port more than once, may discharge the goods during the first or subsequent call at the port of discharge, may for matters occurring before or after loading and either with or without the goods on board, and before or after proceeding towards the port of discharge, adjust compasses, drydock with or without cargo on board, stop for repairs, shift berths, make trial trips or tests, take fuel or stores, remain in port, lie on bottom, aground or at anchor, sail with or without pilots, tow and be towed, and save or attempt to save life or property, and all of the foregoing are included in the contract voyage. The vessel may carry contraband, explosives, munitions, warlike stores, hazardous cargo, and sail armed or unarmed and with or without convoy.

The Carrier's sailing schedules are subject to change without notice, both as to the sailing date and date of arrival. If this is a Through Bill of Lading, no Carrier(s) bound to transport the shipment by any particular train, truck, aircraft, vessel, or other means of conveyance, or in time for any particular market or otherwise. No Carrier shall be liable for delay and any Carrier shall have the right to forward the goods by substitute Carrier.

13. If at any time the performance of the contract evidenced by this Bill of Lading is or is likely to be affected by any hindrance, risk, delay, difficulty or disadvantage of whatsoever kind which cannot be avoided by the exercise of reasonable endeavours, the Carrier (whether or not the transport is commenced) may without notice to the Merchant treat the performance of this contract as terminated and place the Goods or any part of them at the Merchant's disposal at any place or port which the Carrier may deem safe and convenient, whereupon the responsibility of the Carrier in respect of such Goods shall cease. The Carrier shall nevertheless be entitled to full freight and charges on Goods received for transportation and the Merchant shall pay any additional costs of carriage to and delivery and storage at such place or port.

14. If the Carrier makes a special agreement, whether by stamp hereon or otherwise, to deliver the Goods at a specified dock or place, it is mutually agreed that such agreement shall be construed to mean that the Carrier is to make such delivery only if, in the sole judgment of the Carrier, the vessel can get to lie at, and leave said dock or place, always safely afloat, and only if such dock or place is available for immediate receipt of the Goods and that otherwise the Goods shall be discharged as otherwise provided in this Bill of Lading, whereupon all responsibility of Carrier shall cease.

15. The port authorities are hereby authorized to grant a general order for discharging immediately upon arrival of the vessel and the Carrier, without giving notice either of arrival or discharge, may, immediately upon arrival of the vessel at the designated destination, discharge the goods continuously, Sundays and holidays included at all such hours by day or by night as the Carrier may determine no matter what the state of the weather or custom of the port may be.

The Carrier shall not be liable in any respect whatsoever if heat or refrigeration or special cooling facilities shall not be furnished during loading or discharge or any

part of the time that the Goods are upon the wharf, craft or other loading or discharging place.

Landing and delivery charges and pier dues shall be at the expense of the Goods unless included in the freight herein provided for. If the Goods are not taken away by the consignee by the expiration of the next working day after the Goods are at his disposal, the Goods may, at Carrier's option and subject to Carrier's lien, be sent to store or warehouse or be permitted to lie where landed, but always at the expense and risk of the Goods. The responsibilities of the Carrier in any capacity shall altogether cease and the Goods shall be considered to be delivered and all their own risk and expense in every respect when taken into the custody of Customs or other Authorities, or into that of any municipal or governmental concessionaire or depository. The Carrier shall not be required to give any notification of disposition of the Goods, except as may be otherwise provided in this Bill of Lading.

16. At ports or places where, by local law, authorities, or custom, the Carrier 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 ship can get to, 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 ship, at the risk and expense of the Goods. If the Merchant fails to provide such lighters or other craft, Carrier, acting solely as agent for the Merchant, may engage such lighters or other craft at the risk and expense of the Goods. Discharge of the Goods into such lighters or other craft shall constitute proper delivery, and any further responsibility of Carrier with respect to the goods shall thereupon terminate.

17. The Carrier shall have liberty to comply with any order or directions or recommendations in connection with the transport (under this contract of carriage given by any Government or Authority or anyone acting or purporting to act on behalf of such Government or Authority or having, under the terms of the mortgage or insurance on the vessel or other transport, the right to give such orders, directions or recommendations. Discharge or delivery of the Goods in accordance with the said order or directions or recommendations shall be deemed a fulfillment of the contract. Any extra expense incurred in connection with the exercise of the Carrier's liability under this clause shall be paid by the Merchant in addition to freight and charges.

18. Whenever the Carrier or Master may deem advisable, or in any case where goods are destined for port(s) or place(s) at which the vessel or participating carriers will not call, the Carrier may, without notice, forward the whole or any part of the shipment before or after loading at the original port of shipment, or any other place or places even though outside the scope of the voyage or the route to or beyond the port of discharge or the destination of the Goods by water, by land or by air or by any combination thereof, whether departing or arriving or scheduled to depart or arrive before or after the ship expected to be used for the transportation of the shipment. The Carrier may delay forwarding awaiting a vessel or conveyance in its own service or with which it has established connections. In all cases where the shipment is delivered to another Carrier or to a lighter, Port Authority warehouseman or other bailee for transshipment, the liability of this Carrier shall absolutely cease

when the Goods are out of its exclusive possession and shall not resume until the Goods again come into its exclusive possession, and the responsibility of the Carrier during any such period shall be that of an agent of the Merchant, and this Carrier shall be without any other responsibility whatsoever. The carriage by any transshipping or on-Carrier and all transshipment or forwarding shall be subject to all the terms whatsoever in the regular form of bill of lading, consignment note, contract or other shipping document used at the time by the Carrier performing such transshipment or forwarding.

19. In any situation whatsoever and wheresoever occurring and whether existing or anticipated before commencement of or during the combined transport, which in the judgment of the Carrier or the Master is likely to give rise to risk of capture, seizure, detention, damage, delay or disadvantage or loss to the Carrier or any part of the Goods, to make it unsafe, imprudent or unlawful for any reason to receive, keep, load, or carry the goods or commence or proceed on or continue the transport or to enter or discharge the goods or disembark passengers at the port of discharge, or the usual or agreed or intended place of discharge or delivery, or to give rise to delay or difficulty in proceeding by the usual or intended route, the Carrier or the Master may decline to receive, keep, load or carry the Goods or may devan container(s) contents or any part thereof and may require the Merchant to take delivery of the Goods at the place of receipt of any other point in the combined transport and upon failure to do so may warehouse the Goods at the risk and expense of the Goods, or the vessel, whether or not proceeding towards or entering or attempting to enter a port of discharge, or reaching or attempting to reach a usual place of discharge therein or attempting to discharge the shipment, may discharge the Goods and/or devan the contents of any container(s) at another port, depot, lighter, craft, or other place, or may forward or transship them as provided in this Bill of Lading, or the Carrier or the Master may retain the Goods, vanned or unvanned on board until the return of the vessel to the port of loading or to the port of discharge or until such time as the Carrier or the Master thinks advisable and discharge the Goods at any place whatsoever as herein provided. The Carrier or the Master is not required to give notice of such devanning or of discharge of the Goods or of the forwarding thereof as herein provided. When the Goods are discharged from the ship, as herein provided, such shall be at the risk and expense of the Goods. Such discharging shall constitute complete delivery and performance under this contract and the Carrier shall be free from any further responsibility, unless it be shown that any loss or damage to the Goods arose from Carrier's negligence in the discharge and delivery as herein provided, the burden of establishing such negligence being on the Merchant. For any service rendered to the Goods as herein above provided or for any delay or expense to the vessel caused as a result thereof, the Carrier shall be entitled to a reasonable extra compensation, and shall have a lien on the goods for such carriage. Notice of disposition of the Goods shall be mailed to shipper or consignee named in this Bill of Lading. Goods shut out from the vessel named herein for any cause may be forwarded on a subsequent vessel of this Line or, at Carrier's option, on a vessel of another Line or by other mode of transportation.

20. Notwithstanding the foregoing, the Carrier shall neither be liable therefore, not concluded as to, the correctness of any such marks, descriptions or representations.

When any cargo unit owned or leased by Carrier is packed or loaded by shipper or its agent, or discharged by consignee or its agent, shipper, consignee, receiver, holder of this Bill of Lading, owners of the Goods and person entitled to the possession of the Goods shall be and remain liable jointly and severally, for any loss or damage to the cargo unit during such loading or discharge, howsoever occurring, until the cargo unit is returned to Carrier's custody and, at tariff rates, for any delay beyond the time allowed for such loading or discharge, and for any loss, damage or expense incurred by Carrier as a result of the failure to return the cargo unit to the Carrier in the same sound condition and state of cleanliness as when received by shipper. Such loss, damage, expense or delay shall constitute a lien on the Goods.

Where a cargo unit is to be unpacked or unloaded by consignee or its agent, consignee or its agent shall promptly unpack or unload such cargo unit and take delivery of its contents, irrespective of whether the Goods are damaged or not. Carrier shall not be liable for loss or damage caused to the Goods by or during such unpacking or unloading.

21. When containers, vans, trailers, transportable tanks, flats, palletized units, and all other packages (all hereinafter referred to generically as cargo units) are notpacked or loaded by Carrier, such cargo units shall be deemed shipped as "Shipper's weight load and count". Carrier has no reasonable means of checking the Quantity, weight, condition or existence of the contents hereof, does not represent the Quantity, weight, condition or existence of such contents as furnished by the shipper and inserted in this Bill of Lading, to be accurate, and shall not be liable for nonreceipt or misdescription of such contents. Carrier shall have no responsibility or liability whatsoever therefore or for the packing, loading, securing and/or stowage or contents of such cargo units, or for loss or damage caused thereby or resulting therefrom, or for the physical suitability or structural adequacy of such cargo units properly to contain their contents.

The Merchant, whether principal or agent by packing or loading the cargo units and/or by allowing the cargo unit to be so packed or loaded, represents, guarantees and warrants (a) that the Goods are properly described, marked and safely and securely packed in their respective cargo units, that such cargo units are physically suitable, sound and structurally adequate properly to contain and support the Goods during handling and on the transport, and that the cargo units may be handled in the ordinary course without damage to themselves or to their contents, or to the vessel or conveyance or to their other cargo, or property or persons; (b) that all particulars with regard to the cargo units and their contents and the weight of each said cargo unit, are in all respects correct; and (c) that they have ascertained and fully disclosed in writing to the Carrier and all participating Carriers on or prior to shipment, and condition, ingredient or characteristic of the Goods which might indicate that they are inflammable, explosive, corrosive, radioactive, noxious, hazardous or dangerous in nature, or which might cause damage, injury or detriment to the Goods, or to the vessel, conveyance or other cargo or to property or persons and that they have complied fully with all statutes, ordinances and regulations of the Department of Transportation of the United States of America and all other regulatory bodies with respect to labeling, packaging and preparation for shipment of all such Goods.

The shipper, consignee, receiver, holder of this Bill of Lading, owner of the Goods and person entitled to the possession of the Goods jointly and severally agree

fully to protect and indemnify Carrier, and to hold it harmless in respect of any injury or death of any person, or loss or damage to cargo or cargo unit or any other property, or to the vessel or conveyance or expense or fine arising out of damage to cargo or cargo unit or any other property, or to the vessel or conveyance or expense or fine arising out of or in any way connected with breach of any of the foregoing representations or warranties, howsoever occurring, even without fault of shipper, consignee and/or owner of the Goods, and even though such injury, death, loss or damage is caused in whole or in part by fault of the Carrier or unseaworthiness.

22. The Merchant and the Goods themselves shall be liable for and shall indemnify the Carrier, and that Carrier shall have a lien on the Goods for all expenses of mending, repairing, repacking, cooperating, baling, reconditioning of the Goods and gathering of loose contents of packages, also for expenses for repairing containers damaged while in the possession of the Merchant for demurrage on containers and any payment, expense, fine, dues, duty, tax, impost, loss, damage or detention sustained or incurred by or levied upon the Carrier, vessel or conveyance in connection with the Goods, howsoever caused, including any action or requirement of any government or governmental authority or person purporting to act under the authority thereof, seizure under legal process or attempted seizure, incorrect or insufficient marking, numbering or addressing of containers packages or description of the contents failure of the Merchant to procure consular, Board of Health, or other certificates to accompany the Goods or to comply with laws or regulations or any kind imposed with respect to the Goods by the authorities at any port or place or any act or omission of the Merchant. The Carrier's lien shall survive delivery and may be enforced by private or public sale and without notice.

23. Freight shall be payable, at Carrier's option, on actual gross intake weight or measurement or on actual gross discharge weight or measurement or on a value or other basis. Freight may be calculated on the basis of the particulars of the Goods furnished by the shipper herein, but the Carrier may, as previously stated herein, at any time open the packages or containers and examine, weigh, measure and value the Goods (unless applicable law prohibits same) in case shipper's particulars are found to be erroneous and additional freight payable, the Merchant and the Goods shall be liable for any expense incurred for examining, weighing, measuring and valuing the Goods. Full freight shall be paid on damaged or unsound goods. Full freight hereunder to place of delivery named herein and advance charges (including on-carrier's) shall be considered completely earned on receipt of the Goods by the Carrier, whether the freight be stated or intended to be prepaid or to be collected at destination, and the Carrier shall be entitled to all freight and charges, extra compensation, demurrage, detention, General Average, claims and any other payments made and liability incurred with respect to the Goods, whether actually paid or not and to receive and retain them irrevocably under all circumstances whatsoever, vessel, conveyance and/or cargo lost, damaged or otherwise or the combined transport changed, frustrated or abandoned in case of forced abandonment or interruption of the combined transport for any cause, any forwarding of the goods or any part thereof shall be at the risk and expense of the Goods. All unpaid charges shall be paid in full, without any offset, counterclaim or deduction in the currency of the place of receipt, or, at Carrier's option, in the currency of the place of delivery at the demand rate of New York exchange as quoted on day of arrival of the Goods at the place of delivery.

The merchant shall be jointly and severally liable to the Carrier for the payment of all freight charges and the amounts due to the Carrier, and for any failure of either or both to perform his or their obligations under the provisions of this Bill of Lading and they shall indemnify the Carrier against, and hold it harmless from, all liability, loss, damage and expense which the Carrier may sustain or incur arising or resulting from any such failure of performance by the Merchant. Any person, firm or corporation engaged by any party to perform forwarding services with respect to the cargo shall be considered the exclusive agent of the Merchant for all purposes and any payment of freight to such person, firm or corporation shall not be considered payment to the Carrier in any event. Failure of such person, firm or corporation to pay any part of the freight to the Carrier shall be considered a default by the Merchant in the payment of the freight. The carrier shall have a general lien on any and all property and documents relating thereto, in its possession, custody or control or en route, which shall survive delivery for all claims, for all charges and damages of any kind whatsoever, in connection with any shipment which remains unsatisfied for 30 days after demand for payment is made, plus the cost of recovering same, including expenses incurred in preserving this lien and may enforce this lien by public or private sale and without notice. The Shipper, consignee, receiver, holder of this bill of lading, owner of the goods and person entitled to the possession of the goods shall be jointly and severally liable to the carrier for the payment of all charges and damages as aforesaid and for performance of the obligations of each of them hereunder.

24. Carrier shall not be liable for any consequential or special damages and shall have the option of replacing lost Goods or repairing damaged Goods.

25. The weight or quantity of any bulk cargo inserted in this Bill of Lading is the weight or quantity as ascertained by a third party other than the Carrier and Carrier makes no representation with regard to the accuracy thereof. This Bill of Lading shall not be deemed evidence against the Carrier of receipt of goods of the weight or quantity so inserted in the Bill of Lading.

26. Neither the Carrier nor any corporation owned by, subsidiary to or associated or affiliated with the Carrier shall be liable to answer for or make good any loss or damage to the goods occurring at any time and even though before loading on or after discharge from the ship, by reason or by means of any fire whatsoever, unless such fire shall be caused by its design or neglect, or by its actual fault or privity. In any case where this exemption is not permitted by law, Carrier shall not be liable for loss or damage by fire unless shown to have been caused by Carrier's negligence.

27. If the vessel comes into collision with another vessel as a result of the fault or negligence of the other vessel and any act, neglect or default of the Carrier, Master, mariner, pilot or the servants of the Carrier in the navigation or in the management of the vessel, the Merchant will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her owners insofar as such loss or liability represents loss of, or damage to, or any claim whatsoever of the Merchant, paid or payable by the other or non-carrying vessel or her owners to the Merchant and set-off, recouped or recovered by the other or non-carrying vessel or her Owners as part of their claim against the carrying vessel or Carrier.

The foregoing provisions shall also apply where the owners, operators or those in charge of any vessel or vessels or objects other than, or in addition to, the colliding vessels or objects are at fault in respect of a collision, contact, stranding or other accident. This provision is to remain in effect in other jurisdictions even if unenforceable in the Courts of the United States of America.

28. General average shall be adjusted, stated and settled according to York-Antwerp Rules 1974, except Rule XII thereof, at such port or place as may be selected by the Carrier and as to matters not provided for by these Rules, according to the laws and usages of New York.

In such adjustment, disbursements in foreign currencies shall be exchanged into United States money at the rate prevailing on the dates made and allowances for damage to cargo claimed in foreign currency shall be converted at the rate prevailing on the last day of discharge at the port or place of final discharge of such damaged cargo from the ship. Average agreement or bond and such additional security as may be required by the Carrier must be furnished before delivery of the goods. Such cash deposit as the Carrier or his agents may deem sufficient as additional security for the contribution of the goods and for any salvage and special charges thereon shall, if required, be made by the Goods, shippers consignees or owners of the goods to the Carrier before delivery of the Goods. Notwithstanding anything hereinbefore contained, such deposit shall at the option of the Carrier be payable in United States currency and be remitted to the adjuster pending settlement of the General Average and refunds of credit balances, if any, shall be paid in United States currency. In addition to the circumstances dealt with in the 1974 York-Antwerp Rules, it is agreed that if the Carrier has used due diligence in the stowage of cargo and if the safe prosecution of the voyage is thereafter imperiled in consequence of the disturbance of stowage, the costs of handling discharge, reloading and restowing cargo shall be allowed in General Average, even though the handling of cargo is not necessary for the purpose of effecting repairs to the vessel.

In the event of accident, danger 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 Carrier is not responsible by statute, contract or otherwise, the Goods, the shipper, consignee, receiver, holder of this bill of Lading, owner of the Goods and person entitled to the possession of the Goods, jointly and severally shall contribute with the Carrier in General Average to the payment of any sacrifices, losses 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 salving ship is owned or operated by the Carrier, salvage shall be paid for as fully and in the same manner as if such salving ship or ships were owned or operated by strangers. Cargo's contribution in General Average shall be paid to the shipowner even when such average is the result of fault, neglect or error of the Master, pilot, officers or crew. The Merchant expressly renounces any and all codes, statutes, laws or regulations which might otherwise apply.

29. In case of any loss or damage to or in connection with Goods exceeding in actual value the equivalent of \$500 lawful money of the United States, per package, or in case of Goods not shipped in packages, per shipping unit, the value of the Goods shall be deemed to be \$500 per package or per shipping unit. The Carrier's liability, if any, shall be determined on the basis of a value of \$500 per package or per shipping unit

or pro rata in case of partial loss or damage, unless the nature of the Goods and a valuation higher than \$500 per package or per shipping unit shall have been declared by the shipper before shipment and inserted in this Bill of Lading, and extra freight paid if required in such case, if the actual value of the Goods per package or per shipping unit shall exceed such declared value, the value shall nevertheless be deemed to be declared value and the Carrier's liability, if any, shall not exceed the declared value and any partial loss or damage shall be adjusted pro rata on the basis of such declared value. The words "shipping unit" shall mean each physical unit or piece of cargo not shipped in a package, including articles or things of any description whatsoever, except goods shipped in bulk, and irrespective of the weight or measurement unit employed in calculating freight charges.

Where containers, vans, trailers, transportable tanks, flats, palletized units and other such packages are not packed by the Carrier, each individual such container, van, trailer, transportable tank, palletized unit and other such package including in each instance its contents, shall be deemed a single package and Carrier's liability limited to \$500 with respect to each such package.

30. As to loss or damage to the Goods or packages occurring or presumed to have occurred during ocean voyage, unless notice of loss of or damage and the general nature of it be given in writing to the Carrier or its agent at the port of delivery before or at the time of the removal of the Goods or packages 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 one week after delivery at the port of discharge, such removal shall be prima facie evidence of the delivery by the Carrier of the Goods or packages as described in this Bill of Lading.

31. As to loss or damage to the Goods or package occurring or presumed to have occurred during ocean carriage, the Carrier and the vessel shall be discharged from all liability in respect of loss, damage, misdelivery, delay or in respect of any other breach of this contract and any claim whatsoever with respect to the Goods or packages. In case of any claims against the Carrier of whatsoever nature, notice to be given within one week and suit to be brought against the Carrier within 6 months after delivery and finalized within one year of the delivery date. All other claims otherwise will be considered waived and time-barred. Suit shall not be deemed brought unless jurisdiction shall have been obtained over the Carrier and/or the vessel by service of process or by an agreement to appear.

32. Gold, silver, specie, bullion or other valuables, including those named or described in Sec 4281 of the Revised Statutes of the United States, will not be received by the Carrier unless their true character and value are disclosed to the Carrier and a special written agreement therefore has been made in advance, and will not, in any case, be loaded or landed by the Carrier. No such valuables shall be considered received by or delivered to the Carrier until brought aboard the ship by the shipper and put in the actual possession of and a written receipt therefore is given by the Master or other officer in charge. Such valuables will only be delivered by the Carrier aboard the ship on presentation of bills of lading, properly endorsed and upon such delivery on board the Carrier's responsibility shall cease. If delivery is not so taken promptly after the ship's arrival at the port of discharge the goods may be retained aboard or landed or carried on, solely at the risk and expense of the goods.

33. 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 cargo and acknowledgement of receipt of the Goods in apparent good order and condition is not a representation that such conditions of rust, oxidation and the like did not exist on receipt.

34. Nothing in this Bill of Lading shall operate to deprive the Carrier of any statutory protection or exemption from or limitation of liability contained in the laws of the United States, or in the laws of any other country which may be applicable. This Bill of Lading shall be construed according to the laws of the United States and the Merchant agrees that any suits against the Carrier shall be brought in the Federal Courts of the United States. The terms of this Bill of Lading shall be separable and if any part or term hereof shall be held invalid, such holding shall not affect the validity or enforceability of any other part or term hereof.

RULE 7: SURCHARGES AND ARBITRARIES

When more than one Surcharge and/or Arbitrary, which is stated in terms of percentages, is imposed upon the same shipment, such Surcharges and/or Arbitraries shall first be combined and the aggregate shall be applied by computing the Additional Charges.

For Applicable charges to apply, see subrules below.

| <u>RULE TITLE</u> | <u>SUB-RULE</u> |
|--------------------------|-----------------|
| BUNKER ADJUSTMENT FACTOR | 7.1 |

Rule: 7.1 BUNKER ADJUSTMENT FACTOR (BAF)

Effective: 07/01/12 Filing: 07/01/12

Except as otherwise provided, a Bunker Surcharge (BSC or BAF) shall apply, payable in USD Currency for below mentioned locations:

| | |
|-----------------------------|--------------------------|
| Red Sea & Arabian Gulf: | \$339/20' and \$678/40' |
| Indian Sub-Continent (ISC): | \$290/20' and \$580/40' |
| West Africa: | \$580/20' and \$1160/40' |
| Eastern Mediterranean: | \$290/20' and \$580/40' |
| Western Mediterranean: | \$119/20' and \$238/40' |
| North Africa | \$290/20' and \$580/40' |
| Asia | \$288/20' and \$360/40' |

Rule: 7.2 WAR RISK SURCHARGE (WRS)

Effective: 07/01/12 Filing: 07/01/12

Except as otherwise provided, a War Risk Surcharge (WRS) shall apply payable in USD Currency for below mentioned locations:

(continued from previous page)

Abu Dhabi, Dubai, Jebel Ali, Sharjah

\$35.00 per 20' Standard Container

\$70.00 per 40' Standard/High Cube Container

Jeddah, Dammam, Bahrain and Doha:

\$50.00 per 20' Standard Container

\$100.00 per 40' Standard/High Cube Container

To Yemen ports:

\$200.00 per 20' Standard Container

\$400.00 per 40' Standard/High Cube Container

To Pakistan ports:

\$35.00 per 20' Standard Container

\$70.00 per 40' Standard/High Cube Container

To Kuwait ports:

\$105.00 per 20' Standard Container

\$210.00 per 40' Standard/High Cube Container

Rule: 7.3 SUEZ CANAL TRANSIT CHARGE (STT)

Effective: 07/01/12 Filing: 07/01/12

Except as otherwise provided, a Suez Canal Transit Charge (SUZ) shall apply payable in USD Currency for below mentioned locations:

Red Sea & Arabian Gulf: \$49/20' and \$98/40'

Indian Sub-Continent (ISC): \$49/20' and \$98/40'

Asia \$49/20' and \$98/40'

Rule: 7.4 CONGESTION SURCHARGE (CON)

Effective: 07/01/12 Filing: 07/01/12

Except as otherwise provided, a Congestion Surcharge (CGS) shall apply as follows:

To Israel Ports:

\$50.00 per 20' Standard Container

\$100.00 per 40' Standard/High Cube Container

To Izmir Port:

\$35.00 per 20' Standard Container

\$70.00 per 40' Standard/High Cube Container

To North Africa Ports:

ALGIERS \$120.00 per TEU

BENGHAZI \$100.00 per TEU

TRIPOLI \$225.00 per TEU

TUNIS \$65.00 per TEU

(continued from previous page)

To West Africa Ports:

| | |
|------------|------------------|
| APAPA | \$100.00 per TEU |
| CONAKRY | \$135.00 per TEU |
| COTONOU | \$75.00 per TEU |
| LIBREVILLE | \$215.00 per TEU |
| LOBITO | \$225.00 per TEU |
| LOME | \$75.00 per TEU |
| LUANDA | \$225.00 per TEU |
| NAMIBE | \$200.00 per TEU |
| TEMA | \$100.00 per TEU |
| TINCAN | \$100.00 per TEU |

Rule: 7.5 MIDDLE EAST PORT ARBITRARIES

Effective: 07/01/12 Filing: 07/01/12

To Riyadh

| |
|---|
| \$226.00 per 20' Standard Container |
| \$446.00 per 40' Standard/High Cube Container |
| \$616.00 per 40' Reefer Container |

Rule: 7.6 HAZARDOUS GOODS SURCHARGE (IMO)

Effective: 07/01/12 Filing: 07/01/12

Except as otherwise provided, a Hazardous Cargo Surcharge (HAZ) shall apply as follows:

| |
|---|
| \$150.00 per 20' Standard Container |
| \$200.00 per 40' Standard/High Cube Container |

Rule: 7.7 BILL OF LADING FEE (ODF)

Effective: 07/01/12 Filing: 07/01/12

Bill of Lading Fee of USD 50.00 is applicable unless otherwise included.

Rule: 7.8 CORRECTION FEE (CORR)

Effective: 07/01/12 Filing: 07/01/12

Correction fee of USD 50.00 is applicable unless otherwise specified.

RULE 8: AD VALOREM RATES

- A) The liability of the Carrier as to the value of shipments at the rates, herein provided shall be determined in accordance with the clauses of the Carrier's regular Bill of Lading form.
- B) If the Shipper desires to be covered for a valuation in excess of that allowed by the Carrier's regular Bill of Lading form, the Shipper must so stipulate in Carrier's Bill of Lading covering such shipments and such additional liability

(continued from previous page)

only will be assumed by the Carrier at the request of the Shipper and upon payment of an additional charge based on the total declared valuation in addition to the stipulated rates applying to the commodities shipped as specified herein.

C) Where value is declared on any piece or package in excess of the Bill of Lading limit of value of \$500.00 the Ad Valorem rate, specifically provided against the item, shall be five (5%) percent of the value declared in excess of the said Bill of Lading limit of value and is in addition to the base rate.

Special Charge ID: 6,AD VALOREM, 0,70

- 1) When: ALWAYS
 Then: TEMP1 = ACTUAL-VALUE - 500.00USD
 Then: RESULT = TEMP1 * 5.00%

RULE 9: CO-LOADING

- A) Provisions of this rule apply only to shipments straight or mixed, tendered to Carrier by Non-vessel operating Common Carrier, on behalf of non-Carrier shippers, for shipment between ports listed in Rule 1.
- B) No explosives, Dangerous, Prohibited or restricted articles will be handled except as provided for in Rule 10.
- C) The NVOCC(s) will prepare and submit to the Carrier at the time of shipment a list of cargo in the shipment, showing:
1. A description of the contents of each separate shipment
 2. The marks, weight, and cubic measurement of each shipment
 3. The total weight and measurement of the shipment
- The Carrier reserves the right to request and obtain from the tendering NVOCC other pertinent shipping documents, including but not limited to export declarations, Hazardous Cargo certifications and commercial invoices.
- D) All cargo shipped under this rule must be freight prepaid basis.
- E) The NVOCC shall submit Bill of Lading for each shipment tendered, each clearly stating:
1. The name of the NVOCC showing as agent for the beneficial owner of the cargo
 2. The name, of the receiver of the shipment at destination, to whom the Carrier is expressly authorized to deliver the shipment.
 3. The shipment has been co-loaded with other shipments of this Carrier.
- F) Falcon, as a Non-Vessel Operating Common Carrier (NVOCC) may tender cargo to other NOCC's for co-loading at its option, risk and expense, subject to the provisions named below. For the purposes of this Rule "Co-Loading" is the combining of cargo, in the import or export of foreign commerce of the

United States, by two or more NVOCCs for tendering to an Ocean Common Carrier (VOCC) under the name of one or more NVOCCs (46 CFR 580.5 (14).

1. Falcon having entered into a joint carrier/carrier co-loading agreement(s) with another NVOCC(s), may at its option tender cargo to such NVOCC for co-loading with other cargo in containers destined to common ports or points. Each Bill of Lading covering such co-loaded cargo will bear on its face a notation reading substantially as provided in paragraph C. of this Rule.
2. Falcon may at its option tender cargo to other NVOCCs to accomplish any portion of the ocean transportation. The tendering of cargo to, and the acceptance of a Bill of Lading shall NOT increase, reduce, alter or remove Carrier's liability to the shipper for the cargo as stated in Carrier's Bill of Lading issued at the time of shipment (see Rule 6 herein), or as provided under Rule 8 (Ad Valorem) of this Tariff. Further, such co-loading will NOT alter or relieve Carrier of any responsibility for the payment of any underlying common carrier rates and charges for the transportation of shipment. Each Bill of Lading covering such co-loaded cargo will bear on its face a notation reading substantially as provided in paragraph C. of this rule.
3. When carrier tenders cargo to another NVOCC for co-loading, whether under a carrier/carrier agreement as specified in paragraph A, or as a Shipper specified in Paragraph B, the Carrier will place a notation reading substantially as specified below on the face of the Bill of Lading covering such co-loaded cargo:

Falcon has tendered the cargo moving under this Bill of Lading to
(Name of receiving NVOCC) for co-loading service.

RULE 10: DANGEROUS AND HAZARDOUS CARGO

10.1 The transportation of inflammable or hazardous goods, explosives, and other dangerous articles will be governed by Title 49 of the United States Code of Federal Regulations Parts 100-199, as revised, or by any superseding regulations, and to the extent applicable, the International Maritime Dangerous Goods Code (IMCO) published by the Inter-Governmental Maritime Consultative Organization.

10.2 Shipments of goods described in Rule 10.1 shall be identified as such at the time of booking. Such goods shall be packaged, stowed and labeled in accordance with all applicable laws and regulations at the risk and expense of the Merchant.

RULE 11: RETURNED CARGO

11.1 Cargo returned to the origin port/point named in Carrier's bill of lading within six (6) months after arrival at destination shall be rated at the lower of:

- (a) The freight rate and charges that would be applicable to the return move if it were the original move; or

(continued from previous page)

(b) 85% percent of the freight rate originally paid by Merchant and 100% of the charges that would be applicable to the return move if it were the original move.

11.2 The foregoing provision will apply only if the cargo is returned in the original package. For purposes of this rule, in order to be considered as being in the "original package," cargo must be in the same number of cartons or packages, with the same marks and numbers, as shown on the bill of lading covering the original move.

11.3 Cargo not returned within six (6) months after arrival at destination shall not be treated as returned cargo and shall be rated in accordance with the Carrier's tariff.

RULE 12: OVERCHARGE CLAIMS

12.1 All claims for adjustment of freight and/or charges must be presented to Carrier in writing within three (3) years of the date of the bill of lading issued by Carrier.

12.2 Claims must be presented to Carrier in writing and must contain the following original or certified documents:

- (a) Bill of Lading
- (b) Packing List
- (c) Commercial Invoice
- (d) Customs Entry Permit/Import Declaration or Customs Export Declaration, as applicable

12.3 If the claim is presented to Carrier in writing before the shipment involved leaves the custody of Carrier, cargo may be inspected at port of loading or a destination by official measurers named by Carrier.

12.4 All requests for inspection at destination must be made in writing to Carrier. Any expense incurred by the Carrier in connection with the investigation of the claim shall be borne by the party responsible for the error, or if no error found, by the claimant.

12.5 Claims for adjustment of freight other than those based on errors in weight, piece count, measure, or description must be accompanied by the documentary evidence set forth in paragraph 12.2 above, and such other evidence as may be essential in support of the claim in question.

12.6 Refunds approved under the above procedures will only be paid to the party paying the original freight bill and always provided the full amount of the original freight bill has been paid to Carrier.

RULE 13: FREE TIME, DETENTION AND DEMURRAGE

13.1 Carrier is a non-vessel operating common carrier and the equipment it uses to provide transportation services to Merchant is provided by the vessel-operating common carrier ("VOCC") that operates the vessel transporting the cargo.

13.2 The VOCC imposes detention charges if empty containers released for loading and/or loaded containers released for unloading are not returned within a specified period of time ("free time"). Merchant shall be liable to Carrier for any detention charges imposed on Carrier by VOCC as a result of Merchant's failure to return containers within applicable free time.

13.3 The VOCC imposes demurrage charges if loaded containers are not removed from the marine terminal within a specified period of time ("free time"). Where service is "port" at destination and removal of containers from the VOCC's marine terminal is responsibility of Merchant, Merchant shall be liable to Carrier for any demurrage charges imposed on Carrier by VOCC as a result of Merchant's failure to remove containers within applicable free time.

RULE 14: FINANCIAL RESPONSIBILITY OF CARRIER; AGENT FOR SERVICE OF PROCESS

14.1 Carrier has posted financial responsibility with the U.S. Federal Maritime Commission in the form of [bond/surety/etc. No. 023958N

14.2 The name and address of the person at legal agent of Carrier for service of process is: Mr. Leonard Tarloff – Executive Vice-President, 159-11 Rockaway Blvd., Jamaica, NY 11434. In the event the legal agent cannot be served due to death, disability or unavailability, the Secretary of the U.S. Federal Maritime Commission shall be deemed Carrier's legal agent for service of process.

RULE 15: DEFINITIONS AND SYMBOLS

"Carrier" means Falcon Maritime and Aviation, Inc.

"Merchant" means the persons named as shipper, exporter, consignee and/or receiver on the bill of lading, any holder of the bill of lading, the actual recipient of the goods, any person owning or entitled to the possession of the goods or of the bill of lading, and anyone acting on behalf of any of the foregoing persons.

"TRI" means a tariff rate item consisting of a freight rate for the transportation of a stated cargo quantity from origin to destination under a single specified set of transportation conditions.

Explanation of definitions as used through this tariff,

| Charge Types | | Countries | States |
|--------------|--|------------------------|--------------------------|
| ADF | Agency Documentation Fee | AE U. A. E. | CA Calif ornia |
| BAF | Bunker Adjustment Factor | AO Angola | EC Eastern Cape |
| BAS | Basic Ocean Freight | BD Bangladesh | FL Florida |
| CAF | Currency Adjustment Factor | BH Bahrain | GA Georgia |
| CCL | Container Cleaning | BJ Benin | IL Illinois |
| CER | Government Agency Certification | CA Canada | KZ Kw aZulu-Natal |
| CON | Congestion Surcharge | CD Congo, Dem. Rep. of | MD Maryland |
| CSC | Container Service Charge | CG Congo | MS Mississippi |
| CSH | Container Shif ting Fee | CI Ivory Coast | NC North Carolina |
| CTO | Container Terminal Order (CTO) Fee | CM Cameroon | NJ New Jersey |
| CUS | Customs Clearance | DJ Djibouti | OK Oklahoma |
| DCF | Dangerous Cargo Documentation Fee | EG Egypt | ON Ontario |
| DDF | Documentation Fee - Destination | GA Gabon | QC Quebec |
| DHC | Handling Charge - Destination | GH Ghana | SC South Carolina |
| EDI | Electronic Data Interchange Fee | GM Gambia | TN Tennessee |
| EFS | Export Intermodal Fuel Surcharge | GN Guinea | TX Texas |
| EMF | Equipment Management Service | IL Israel | VA Virginia |
| ERS | Emergency Risk Surcharge | IN India | WA Washington |
| FRO | Free Out | IQ Iraq | WC Western Cape |
| HDL | Lif t On Lif t Of f | JO Jordan | |
| IEC | Inspection Empty Container Service | KE Kenya | |
| IHE | Inland Haulage Export | KW Kuwait | |
| IHI | Inland Haulage Import | LB Lebanon | |
| IMO | Dangerous Cargo Surcharge | LR Liberia | |
| IMP | Import Service Charge | MA Morocco | |
| JTC | Probe Charge | MZ Mozambique | |
| LOC | Liner Out Charge | NG Nigeria | |
| MDF | Manual Documentation Processing Fee | OM Oman | |
| ODF | Documentation Fee - Origin | PK Pakistan | |
| OHC | Handling Charge - Origin | QA Qatar | |
| OPA | Transport Arbitrary - Origin | SA Saudi Arabia | |
| PAI | Port Additional / Port Dues - Import | SL Sierra Leone | |
| POS | Equipment Positioning Surcharge | SN Senegal | |
| PSE | Port Security Charge - Export | TG Togo | |
| PSI | Port Security Charge - Import | TR Turkey | |
| PSS | Peak Season Surcharge | TZ Tanzania | |
| RFM | Reef er Monitoring / Plug-in Fee | US United States | |
| RPS | River Toll Fee | ZA South Africa | |
| SBF | Standard BAF | | |
| SEP | Special Equipment Surcharge | | |
| SER | Carrier Security Charge | | |
| SOC | Shipper-Ow ned/Leased Equipment Charge | | |
| STT | Suez Transit Fee | | |
| TAX | Government and Port Taxes | | |
| TCI | Temporary Customs Import | | |
| ULF | Agency/Logistics Fee | | |
| VAT | Value Added Tax | | |
| WFC | Wharf age | | |
| Currencies | | Service Modes | Transport Modes |
| AED | UAE-DIRHAM | CY Container Yard | RCO Rail/Road - Combined |
| BDT | TAKA | SD Store Door | RR Rail Road |
| BHD | BAHRAIN DINAR | | TRK Truck |
| EGP | EGYPTIAN POUND | | |
| GHS | GHANA NEW CEDI | | |
| ILS | ISRAELI SHEQEL | | |
| INR | INDIAN RUPEE | | |
| JOD | JORDAN DINAR | | |
| KWD | KUWAIT DINAR | | |
| MAD | MOROCCAN DIRHAM | | |
| NGN | NAIRA | | |
| OMR | RIAL OMANI | | |
| PKR | RUPEEH | | |
| QAR | QATARI RIAL | | |
| SAR | SAUDI RIYAL | | |
| TRY | YENI TURKISH LIRA | | |
| USD | U.S. DOLLAR | | |
| XAF | CENTRAL AFRICA CFA | | |
| XOF | WEST AFRICA CFA | | |
| ZAR | SOUTH AFRICA RAND | | |

(continued from previous page)

| | |
|-------|---|
| D20DR | Cargo: Dry, Container: 20' Standard |
| D20OP | Cargo: Dry, Container: 20' Opentop |
| D20TA | Cargo: Dry, Container: 20' Tank |
| D40DR | Cargo: Dry, Container: 40' Standard |
| D40FL | Cargo: Dry, Container: 40' Flatrack |
| D40HD | Cargo: Dry, Container: 40' Highcube |
| D40OP | Cargo: Dry, Container: 40' Opentop |
| D40TA | Cargo: Dry, Container: 40' Tank |
| D45HD | Cargo: Dry, Container: 45' Highcube |
| R40HR | Cargo: Reefer, Container: 40' Reefer-Highcube |

RULE 16: FREIGHT FORWARDER COMPENSATION

A. PAYMENT OF COMPENSATION

1. Compensation to a licensed Ocean Freight Forwarder will be paid in connection with any shipment dispatched on behalf of others when, and only when, such forwarder is licensed with the Federal Maritime Commission under Section 19 (a) of the Shipping Act of 1984 and has certified in writing that: it holds a valid license and has performed the following services:

- A. Engaged, booked, secured, reserved, or contracted directly with the Carrier or its agent for space aboard a vessel or confirmed the availability of that space.
- B. Prepared and processed the Ocean Bill of Lading, dock receipt, or other similar document with respect to the shipment.

- 2. Carrier will not pay compensation for services described in Paragraph (1), more than once on the same shipment.
- 3. Carrier will not knowingly pay compensation on a shipment in which the forwarder has a direct or indirect beneficial interest.
- 4. The following amount of Compensation will be payable only on basic ocean freight unless otherwise specified.

| | | |
|---------------|---|-----------------------|
| 20' Equipment | - | \$15.00 Per Container |
| 40' Equipment | - | \$30.00 Per Container |

- 5. No brokerage is payable for any cargo shipped under service contract.
- 6. Breakbulk shipments from Beaumont Port, Tx to Bahrain Port will be paid at 1.25% of Ocean Freight.