

Operating Terms and Conditions

For

Arrow Terminals Inc.

(Hereinafter referred to as ATI)

Corporate Office

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<u>General Terms and Conditions for Cargo Handling Services at</u> <u>Arrow Terminals, Inc. Operated, Controlled or Associated Terminals</u>

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1 **Definitions**

1.1 In these Terms and Conditions:

<u>Agent</u> means any party which, as appropriate, acts as a representative of Cargo Owner, Customer, Carrier or the Company

<u>Cargo Handling Services</u> means any operation or service performed or provided by the Company in connection with the receiving or delivery of cargo to/from any form of land conveyance or the storage of such cargo (see also addendum A).

<u>Cargo</u> means any merchandise, article(s) or item(s) of any description (including any package(s) or container(s) within or by which the said cargo merchandise, article(s) or thing(s) may be contained or carried).

<u>Cargo Owner</u> means the owner of any cargo and any bailor, bailee, consignor, shipper, consignee or other respective agents in relation thereto (but shall not include the Company)

<u>Charges</u> includes charges of every description for the time being payable to the Company in respect of any Cargo Handling Services, or other services.

<u>Company</u> means Arrow Terminals Inc. (ATI), including but not limited to any divisions of ATI

<u>Container</u> means any container which complies with ISO standards, including by way of example reefer and tank containers, flats and platforms.

<u>Customer</u> means any party to whom the company shall provide any kind of services, including, but not restricted to, the Shipper, the Receiver, the Cargo Owner and the Ship Owner.

<u>Effective Date</u> means the date these Terms & Conditions or an element of them becomes effective.

<u>Free Time</u> means the period specified in these Terms & Conditions or associated tariffs during which cargo may occupy space assigned to it on the premises, free of warehouse storage charges subsequent to the discharge of such cargo off the vessel or prior to loading on the designated vessel.

<u>Line release</u> means that the Carriers' agent has received all relevant clearances from Customs Authorities (such as but not limited to USDA, US Customs) and that the Original Bill of Lading, ocean freight and delivery instructions have been received.

<u>Person</u> means an individual, firms, partnerships, associations, companies, corporations, joint stock associations, trustees, receivers, agents, assignees and personal representatives.

<u>Port</u> means the port at which the services are being performed.

<u>Premises</u> mean any covered facility or open area wherein the Company performs Cargo Handling Services.

<u>Rate</u> means a price quoted in these Terms & Conditions or associated tariff for providing a specified level of marine warehouse service or facility for a stated

cargo quantity, on and after a stated effective date or within a defined time frame.

<u>Storage</u> means the service of providing premises for the storage of cargo after the expiration of free time, including wharf storage, shipside storage, closed or covered storage, open or ground storage.

<u>Ship Owner</u> (or Carrier) means the owner of any vessel to which these Terms and Conditions relate and any part owner, charterer, master or other person in charge of the vessel, disponent owner, consignee or mortgagee in possession.

<u>Wharfage</u> (or its equivalent expression) means a charge by the Port Authorities assessed against the cargo on all cargo passing or conveyed over wharves or between vessels (to or from barge, lighter), when berthed at a wharf or when moored in a slip adjacent to a wharf. Wharfage is solely the charge for use of a wharf and does not include charges for any other service as determined by the Port Authority and listed in their tariff.

- 1.2 Words importing the singular shall include the plural and vice versa unless the context otherwise requires
- 1.3 The headings for clauses are for ease of reference only and shall not affect the construction hereof.
- 1.4 Reference herein to any statutory provision includes reference to any consolidation, re-enactment or modification thereof.
- 1.5 References to clauses or schedules are references to the clauses and schedules of these Terms and Conditions unless otherwise stated.

2 <u>Services</u>

2.1 The Company shall provide or perform Cargo Handling Services upon the Terms and Conditions mentioned below.

3 <u>Notice</u>

3.1 Use of Cargo Handling Services by the Customer shall be deemed to constitute notice of and agreement to these Terms and Conditions which are available on request and are published as required by law as set forth in the U.S. Code of Federal Regulations, Title 46, Chapter IV, Part 525.2.

4 <u>Extent</u>

4.1 These Terms and Conditions shall be applicable during such time that the Company is involved in the receiving or delivery or temporary storage of any cargo.

5 Instructions, Agreements and Tenders

5.1 All agreements, tenders, instructions relating to the Cargo Handling Services shall be recorded in writing. Verbal or telephonic communications shall be binding on the Company only if such communication is immediately followed by a written confirmation. Only the Company may plead the absence of a written confirmation.

6 <u>Performance of Cargo Handling Services</u>

6.1 The Cargo Handling Services commence at place of rest or as defined in writing by the parties. The normal Cargo Handling Services performed by the Company shall be considered to mean:

6.1.1 The delivery of cargo by ocean bills of lading as described in the ships manifest.

6.1.2 The responsibility of custodianship of all cargo.

6.1.3 The obligation to deliver all cargo in the same condition as received.

NORMAL WORK

- 6.2 For the foregoing services, a Cargo Handling Charge is assessed. All other services, which are performed by the Company are subject to special service charges. Rates to be provided on request.
- 6.3 Subject to these Terms and Conditions, the Company shall provide supervision, labor, plant and equipment as available for the Cargo Handling Services.
- 6.4 The Company may, in its absolute discretion, elect to commence working in respect of any vessel or land conveyance at any time and on any day and, provided that the Company has given due notice thereof to the Customer, the said Customer shall take all such steps as shall be prudent and necessary to facilitate the commencement of such working at the time and date specified in such notice given by the Company.
- 6.5 The Company may use such plant and equipment as it considers suitable for the Cargo Handling Services involved.
- 6.6 Subject to express written instructions by the Customer, the Company shall be entitled at its sole and absolute discretion to decide on the means and procedure to be followed in the handling, storage and custody of the Cargo. Notwithstanding the foregoing, the Company shall be at liberty to depart from the Customer's instructions if, in the opinion of the Company, it is at any stage necessary or desirable in the Customer's interest to do so.
- 6.7 All Cargo Handling Services to be performed by the Company shall be performed in accordance with the normal working practices of the Company. The Company reserves the right to alter such working practices at any time and without prior notice to the Customer or its haulier.

EXTRA or UNUSUAL WORK

- 6.8 Nothing contained herein shall be construed as requiring the Company to perform without charges any service not specifically provided for herein. The charge for any such service shall be mutually agreed upon and accepted/confirmed in writing by the party ordering same.
- 6.9 Extra sorting, other than by bill of lading lots, such as separations to fill individual orders or any service beyond the normal delivery by bill of lading lots, shall be individually discussed with the Company and will be for the account of the person ordering the sorting, and only when

complete packing list information is provided and where cargo is adequately marked.

6.10 The person ordering services from the Company shall, in all cases, furnish the Company with cargo details showing weights, measurements, marks and type of cargo as shown on the ship's cargo manifest, bills of lading or other relevant documentation. The weight of any package exceeding 2500kgs shall be stated separately. The Company will accept no liability relating to any discrepancies between actual weight, measurement and type of cargo and that shown on such documentation.

7 Working Periods

7.1 Cargo Handling Services performed at the request of a Customer outside normal working hours, as defined by the individual terminals in their tariff table or similar document, will be subject to additional "overtime" charges as specified by the Company from time to time.

8 **Documentation**

- 8.1 As appropriate, all documents of title (such as B/Ls), manifests, shipping notes/advices, consignment notes, packing lists, instructions and orders concerning the Cargo Handling Services must be lodged in writing with the Company during normal working hours and not less than the agreed number of days or hours (excluding national or local holidays) before the relevant service is required to be or is to be performed or provided.
- 8.2 The Customer shall be deemed to warrant the accuracy of all descriptions, values, weights, measurements and other particulars of any cargo supplied to the Company for any purpose whatsoever or marked thereon in relation to Cargo Handling Services and shall indemnify the Company against all proceedings, claims, expenses and pecuniary penalties that the Company may suffer or incur as a result of any inaccuracy or omission therein.

9 Haulier's Duty to Set down Cargo

9.1 Unless otherwise stated, the Cargo shall be in good condition, and if packed, be properly packed when delivered to the Company. If the Cargo appears to be in a damaged or defective condition upon delivery to the Company, the Company shall be entitled but not obliged to take such steps as may be necessary to protect the Cargo Owner's interest against the carrier or any other party at the Cargo Owner's sole risk and expense. The Company shall notify the Cargo Owner of any action taken, but failure to notify the Cargo Owner shall not give the latter any right of claim against the Company.

10 Admittance to Place of Storage

10.1 The Company shall be obliged to admit the Customer and/or any persons authorized by the Customer to the place of storage of the Cargo, subject to the compliance by the Customer or by such person(s) authorized by the Customer with all formalities prescribed by the relevant authorities. Such persons should also bear in mind the following points: 10.1.1 All persons visiting the place of storage including the personnel of vessels and vehicles reporting to the warehouse, shall observe the Company's regulations;

10.1.2 Admittance shall be granted only during the Working Hours and with the attendance of the Company's employees;

10.1.3 The Customer shall be liable for any damage caused directly or indirectly by any persons who are granted admittance to the place of storage including but not limited to any damage caused to the place of storage, the cargo or other cargo stored at the place of storage.

10.2 The party responsible for any damage to sheds, warehouses, structures or other equipment is responsible for payment for such damage. The Company must be reimbursed for the total cost of restoration, repair or replacement in the event damage is beyond repair. The trucker and/or subcontractor appointed by the Cargo Owner and/or other party will be held ultimately responsible for payment in full.

11 Delivery and Reception of Cargo

- 11.1 Prior to entering the premises, it is the responsibility of the person ordering the Company's services to ensure that each truck must be properly equipped and in possession of valid registration.
- 11.2 Failure to comply with aforementioned requirements may result in loading/unloading delays for which the Company shall not be responsible.
- 11.3 The Company will not assume any responsibility for dispatching of trucks, railcars or barges. However, the Company may accept to be appointed as Agent for cargo owner for the dispatch of trucks or railcars. Where the Company is requested by the Cargo Owner to arrange inland trucking this will be done as agent only for the Cargo Owner and a separate Agency Appointment form will be completed (see Appendix B). The inland movement will be subject to the trucking (or rail or barge) company's terms and conditions of the business and the contract for any inland move will be deemed to be between the Cargo Owner and the trucking (or rail or barge) company. Cargo owner will be listed as responsible for truckers invoice. All details for billing purposes must be advised at the time of appointing the Company as agent.
- 11.4 No cargo shall be available for delivery by the Company until such time as Customs clearance and such other customary documentation has been obtained in respect thereof. Responsibility for the clearance of cargo with the relevant Customs Authorities rests with the Cargo Owner as long as Carrier's and the Company have complied with their responsibilities regarding sharing information into the relevant Customs systems.
- 11.5 Delivery Orders (or Releases) in respect of cargo to be delivered by the Company shall be lodged with the Company by or on behalf of the Cargo Owner. Delivery Orders or Releases, and any amendments to same, must be received before cargo can be delivered according to local procedures.
- 11.6 On no account will cargo be delivered by the Company without production of a Line Release issued by, or on behalf of, the Ship Owner in his usual form authorizing such delivery being in a form satisfactory to the Company and authorizing such delivery.

- 11.7 The Company's normal practice is to deliver cargo according to the principal or leading mark specified in the Bill of Lading.
- 11.8 Any appointment made with the owner of a land or sea conveyance or with the Cargo Owner or their respective employees, servants or agents for the receipt from such land or sea conveyance of cargo for shipment, or for the delivery of cargo to a land or sea conveyance, at any particular time or within a particular interval of time shall (notwithstanding any representation made by any servant or agent of the Company) be construed merely as the anticipated time when the cargo may be received or delivered and shall not oblige the Company to accept such cargo (nor refrain from accepting other cargo) at that time nor determine the order in which vehicles may unload and load.
- 11.9 No liability shall attach to the Company in consequence of any failure to permit the loading or unloading of any land or sea conveyance at or within a particular time or interval of time, notwithstanding any representation made by any servant or agent of the Company, including any such representation made at the time of making an appointment, or at any time before or thereafter which may occur, and the Cargo Owner shall release and indemnify the Company from and against such liability.
- 11.10 No cargo shall be received or delivered by rail, ship, barge or truck unless and until the necessary arrangements have been made with both the Company and the appropriate rail, ship, barge or truck freight company, who are deemed to be the Cargo Owner's agents unless otherwise agreed.
- 11.11 A standard shipping note, and (where appropriate) Dangerous Goods Note and/or Dangerous Goods Packing Certificate, must be lodged with the Company in respect of cargo forwarded to the Premises by rail, truck, barge or ship for the performance or provision of Cargo Handling Services not later that the arrival of the transport conveying such cargo.

12 Customs Examination

12.1 No extra charges will be raised for routine Customs examination of cargo carried out in situ at the Premises at which the cargo is discharge/received. However, additional charges will be made if the cargo are stored in ISO containers or moved to another location, or if Customs order a more extensive or thorough examination for any reason, including but not limited to use of a scanning machine.

13 Valuable or Exceptional Cargo

13.1 In the event the person ordering the Company's services, delivers or authorizes delivery of valuable or special cargo to the Company's facilities for warehouse services and such cargo requires particular security or special handling, the person ordering the services must notify the Company expressly of the cargo's valuable or special nature in advance, in default of which the Company will have no responsibility whatsoever in the event of loss or damage to the cargo, howsoever caused. Additional charges will be applied to the storage and handling of any and all valuable or special cargo.

14 <u>Check Weighing</u>

- 14.1 The Company shall not be obliged to weigh or measure the Cargo in storage if no instructions to carry out weighing or measurement of the Cargo are given. Notwithstanding the foregoing, the Company shall be at liberty to effect weighing and/or measurement of the Cargo in order to ascertain whether the weight and/or measurement of the Cargo comply with the specifications of the Cargo received from the Customer. In the event that the weight and/or measurement of the Cargo determined by the Company differ from those specified by the Customer, the cost of carrying out the weighing and/or measurement of the Cargo by the Company shall be borne by the Customer. The correct weight and or measure will then apply to any charges in respect to the cargo in question.
- 14.2 Packages may be opened for examination of the contents thereof at the Customer's request only, but the Company shall at all times be entitled, but not obliged, to do so if it suspects that the contents have been wrongly described by the Customer. Should the examination reveal that the contents differ from those described; the cost of the examination shall be borne by the Customer.

15 <u>Charges</u>

GENERAL CHARGES

- 15.1 The charges for Cargo Handling Services are those specified from time to time by the Company and are (subject as provided below) payable by the Customer on demand unless otherwise agreed by the Company without reduction or deferment on account of any claim and counterclaim.
- 15.2 Interest at the rate of 1.5% (18 % annum) will be payable on the charges remaining unpaid 30 days after the date of the Company's invoice. Notwithstanding the foregoing the Company reserves the right to require a deposit of up to 100% of the estimated total charges for the Cargo Handling Services to be performed or provided, plus the full amount of any other charges that are payable to the Company in respect of such Cargo Handling Services, before the commencement of such services and which deposit shall be payable on demand and failing receipt of which such services will not be commenced.
- 15.3 Any Cargo Handling Services (including, but without prejudice to the generality of the foregoing, the provision of all plant, gear and equipment) not specified in addendum A hereto shall be a Special Service, the provision of which shall be at the discretion of the Company. Special Services, and any Cargo Handling Services for which the rate is specified as "Labor Basis", shall be charged for in accordance with the rates of pay of the Company's employees engaged thereon (including percentage uplift for reasonable overheads) plus the Company's standard charges for plant, gear and equipment or the charges of any hirer of plant or sub-contractor. All such charges shall, except in respect of any Cargo Handling Services for which the rate is specified as "Labor Basis", be in addition to the rates specified by the Company from time to time.
- 15.4 Where applicable, a wharfage and/or a security service charge and/or other charges are assessed against all cargo passing or conveyed over or onto the wharves strictly in accordance with the port tariff in force. It is the duty of the Company to collect same for and on behalf of the Port

Authority, but full payment is ultimately the responsibility of the Cargo Owner.

- 15.5 Except as otherwise stated herein, charges are for the account of the person ordering services from the Company. Payment must be assured prior to release of the cargo.
- 15.6 The Company reserves the right to retain possession of cargo, until such time all accrued wharfage, handling charges, overtime charges, special services charges, storage charges or any other charges, including ocean freight, against said cargo have been paid in full, or acceptable guarantee of payment has been arranged.
- 15.7 Advances made by, and/or liabilities incurred by the Company are permitted for storage, transportation, warehouse charges, insurance, labor, charges present and future in relation to the cargo, as well as expenses necessary for preservation of the cargo, whether or not such advances are required or permitted by these Terms & Conditions, and such expenses reasonably incurred in the judicial sale of cargo pursuant to law. The Company has a lien on all of the depositor's property (including the cargo) for such charges, including those reasonably incurred in enforcing such lien (including without limitation attorneys' fees and expenses).

STORAGE CHARGES

15.8 Storage charges in respect of cargo situated at the Premises shall be paid to the Company as and when incurred. Rates to be provided on request.

16 <u>Free Time</u>

- 16.1 Free time is allowed for a person ordering services to assemble his cargo on the premises prior to export and to schedule delivery of import cargo to inland carrier.
- 16.2 The maximum amount of free time allowed will be 30 days. For import cargo, free time commences the next calendar day at 00:01 hrs following the vessels complete discharge. For export cargo, free time commences upon receipt of all or any part of the cargo at warehouse facilities.
- 16.3 An extended amount of free time, as may be required for volume lots, or in special circumstances, may be requested by the person ordering services from the Company and may be granted by the Company at its discretion on a case by case basis when assembly of export cargo and delivery of import cargo is taking place. Any agreement to extend free time will be confirmed in writing by the Company to the person ordering the services.
- 16.4 Any cargo remaining on warehouse facilities beyond the expiry of free time will be subject to the prevailing storage rates in effect at the time and may be subject to a "transfer to longer term storage" charge as per the storage rate schedule or, where applicable, a Port Authority's published wharf tariff charges.
- 16.5 When in the judgement of the Company, space is not available for cargo to remain on its premises beyond 180 days; the Company reserves the right to consolidate and/or shift the cargo, or to move the cargo to off-site storage at the risk and expense of the Cargo Owner. The Company will provide written notice to the Cargo Owner of the cargo that is subject to

this provision. Unless special arrangements are made with the Company within two (2) weeks of the issue of this notice, the Company reserves the right to move all cargo with all associated costs being the responsibility of the Cargo Owner.

16.6 If at anytime prior to or after expiry of the free time the Company deems it necessary, in the best interests of the cargo or because of the condition of the cargo in the best interests of other cargo being handled and/or stored at the facility, for the cargo to be removed they may request the Customer to arrange collection and failing collection by the Customer or its representative, agent, or the subcontractor the company has the right to dispose of the cargo in whatever way it deems appropriate, the costs of which shall be for the Customer.

17 Cargo Transfer of Ownership

17.1 Cargo received by the Company, which is transferred from one Cargo Owner to another party, requires the following conditions be met:

17.1.1 A Company Transfer of Ownership authorization/agreement (see Appendix C) must be completed by the buyer and the seller; both parties must agree, understand and acknowledge all of the conditions outlined therein.

17.1.2 The original Cargo Owner is liable for the payment of all accrued charges applicable to the cargo being transferred, through to the date of transfer. The Party accepting the transferred cargo (new Cargo Owner) is liable for all charges incurred thereafter. In the event of dispute or default of payment for whatsoever reason by the new cargo owner, the original Cargo Owner will ultimately be responsible for any such charges.

17.1.3 No new free time on transfer cargo and charges apply as per original discharge dates.

18 Abandoned Cargo

- 18.1 All cargo received must be removed from the Company's premises within 12 months. The Company will give written notice to the Cargo Owner of any cargo that is subject to this provision and that has not been removed by such time.
- 18.2 Unless special arrangements are made with the Company within two (2) weeks of the issue of the notice in the preceding paragraph, the Company shall have the right to deem the subject cargo abandoned. The Company reserves the right to dispose of any such abandoned cargo without any further notice being given to the Cargo Owner.
- 18.3 In no event shall the Company be held responsible for any loss or damage to cargo once it has been deemed abandoned in accordance with the preceding paragraph.
- 18.4 The Company shall not be liable for any expenses, losses, or claims whatsoever caused by or resulting from disposal of abandoned cargo. The Cargo Owner agrees to indemnify and hold harmless the Company in respect of any claims, actions or costs, including but not limited to defense costs, to which the Company may become exposed or for which the

Company may become responsible, arising in connection with a loss, damage or disposal of abandoned cargo.

18.5 Even though abandoned cargo may be disposed of, the Customer is still responsible and liable for any outstanding monies due to the Company including, but not limited to, storage and Cargo Handling Services.

19 Limitation of Liability

FORCE MAJEURE

19.1 Unless a loss, damage or deterioration is proven to have been caused by the deliberate intent on the part of any employee of the Company, the Company shall not be liable for:

19.1.1 Any damage and/or loss through theft or burglary;

19.1.2 Any loss, damage and/or deterioration of any Cargo which have been stored in the open, or which can only be stored in the open, or which the Company customarily stores in the open;

19.1.3 The natural quality of the Cargo, changes in quality or character, inherent vice, decay, drying out, powdering, heat, heating, melting, staining, sweating, fermenting, freezing, rusting, mildew, mold, dampness, dust, oil, discoloration, evaporation, smells or stains from or contact with other cargo or fuel, putrefaction, water of any kind, rain or spray, effects of climate, drainage, leakage, wastage, loss of weight, breakage, splitting, bending, chaffing, shrinkage, hook holes, rats, mice, insects and other vermin, explosion of any of the Cargo whether received with or without disclosure of its nature, insufficiency, soiling, injury to, distortion, pressing or bursting of packages, adherence or coverings, failure to protect the Cargo.

19.1.4 Any loss, damage or deterioration of the Cargo caused directly or indirectly by existing or threatened war, declared, or undeclared, hostilities, warlike operations, acts of terrorism, civil war or civil commotion, revolution or the operations of international law, governmental decree, requisitioning, legislation or expropriation, confiscation orders, court orders, injunctions or third party claims, strikes, lockout, sabotage or power breakdown.

19.1.5 Any damage, loss or deterioration of the Cargo caused directly or indirectly by fire, smoke, explosion, water used for extinguishing fires, burst water piping.

19.1.6 Any flood, tempest, earthquake or any other extraneous calamity or Acts of God.

19.1.7 Any costs arising in relationship to the quarantine of the cargo, including but not limited to any costs for removal and/or destruction and/or any fines so relating.

19.1.8 Any act or omission of the Customer, their agents or representatives.

19.1.9 Any type of truck, rail, barge, vessel demurrage, detention, or waiting time.

19.1.10 Any consequential losses of whatsoever nature arising from said loss, damage or deterioration.

19.2 Nothing herein above shall relieve the Company of liability resulting from its own gross negligence.

GENERAL LIMITATION OF LIABILITY

19.3 The Company shall only be liable under these Terms and Conditions for physical loss of or damage to any vessel or other property of the Ship Owner, or to any cargo or other property of the Cargo Owner, and such liability will only apply to physical loss or damage, to the extent that such loss or damage exceeds US\$ 500 per occurrence or incident, and is limited to occurrences proved to be caused solely by the negligence of the Company or its employees acting in the course of their employment during the performance or provision of cargo handling services hereunder provided that:

19.3.1 The Company's liability in respect of physical loss or damage to any vessel of the Ship Owner shall not exceed US\$ 50,000 per occurrence.

19.3.2 The Company shall not, in any event, be or become liable for any loss or damage to goods in an amount exceeding the per package amount set forth in the Carriage of Goods at sea Act [46 U.S.C Section 1304 (5)], or in case of goods not shipped in packages, the per customary freight unit amount set forth in the Carriage of Goods at Sea act [46 U.S.C Section 1304 (5)]. For the purpose of calculating the Company's limitation for physical loss or damage to cargo within an intermodal shipping container then the container will be considered the package. The customer may for the purpose of limitation of liability declare a higher value of the cargo to the Company. In such a case and against written acceptance by the Company and payment by the customer of an additional charge for services provided calculated at 1% of the declared value of the cargo such declared value shall be used as prima facie evidence of the value for the purpose of calculating the quantum of any liability that the Company may have. Should however it be determined that the value of the cargo at the time and place of any physical loss or damage was lower than that declared by the customer then the actual value of the cargo shall be used for the purpose of calculating the quantum for which the Company may be liable. Declaration of a value of the cargo for purposes of limitation shall not relieve the Company of its right to any exclusion from liability contained in these terms and conditions.

19.3.3 In addition to any other defenses the Company may have, the Company shall also have all of the defenses available to the ocean carrier under its bill of lading and the Company shall be considered a "carrier or agent of the carrier" for purposes of asserting the defenses available to carriers under its bill of lading. In the event that the additional defenses available to the ocean carrier under its bill of lading conflict with other defenses available to the Company, the Company shall have sole discretion to choose which defenses it will assert.

- 19.4 With respect to cargo carried by truck, the loading or unloading of cargo shall be under the supervision and responsibility of the driver of the truck. It shall be a primary duty of the trucking company and/or its drivers to take delivery of the cargo for which the trucking company entered the Company's premises. The Company shall not be responsible for any trucking costs resulting from the trucker taking other than their intended cargo from the Company's premises.
- 19.5 In no circumstances and howsoever arising shall the Company be liable for delay and or consequential damage/loss suffered by the Customer.

PACKAGING

- 19.6 Whilst the Company will use its reasonable endeavors to collect and bind at the Terminal any loose pieces of timber cargo, and other cargo as appropriate, according to mark, and will deliver the same to the consignee, the Company shall not be liable for any loss or damage whatsoever arising out of or consequent on such collection and binding, all costs and time incurred for doing so to be for the account of the Cargo Owner. The Company will endeavor to notify the Cargo Owner in advance of such charges being incurred and to allow the opportunity for them to inspect the cargo.
- 19.7 The Company shall be under no obligation to rebind such loose cargo to a greater standard than is deemed by the Company to be reasonable for the safe onward transportation of such cargo and in particular the Company shall not be required to rebind to the same standard as the cargo were in when originally bound.
- 19.8 The Company will not be liable for any damage to cargo, howsoever caused, if not packed to meet import/export packaging standards (see Appendix D for lumber cargo packaging), nor for concealed damages and/or concealed shortage, and all receipts issued are subject to these provisions. Perishable merchandise or merchandise inherently susceptible to damage arising from temperature change or other cause incidental to handling or general storage will be accepted by the Company only at the sole risk of the Cargo Owner.

STEEL CARGOES

- 19.9 Notwithstanding the foregoing provisions, in the event that the Customer, or their respective representative, agent or surveyor is of the opinion that the Company has caused damage in respect of any steel cargo (such as but not limited to hot/cold rolled coil, upright coil, plates, sheets, pipes/tubes, D-Bar, scaffolding, rebar, billets, beams, hollow sections, wire rod and wire rod in coil), during the cargo handling operations of such cargo, such Customer, or their respective representative, agent or surveyor must notify the Company in writing, by the end of the working day on which cargo departs the premises, giving full particulars of the alleged damage and the Company must be given the opportunity for its representative and/or appointed surveyor to inspect such damage prior to delivery taking place.
- 19.10 The Company accepts no liability for any claim made against them for damage to steel cargo which has not been notified to the Company in the manner set out above. The Company will not consider any claim for damage to steel cargo which has not been notified and recorded upon the Company's delivery receipt prior to such cargo leaving the Company's care, custody and control.

19.11 The company accepts no liability for rusting or similar oxidation processes to any steel cargoes.

CLAIMS

- 19.12 The Company shall in any event be freed and discharged from all liability for any loss or damage to any vessel, cargo or equipment or any other matter or thing unless suit is brought within twelve (12) months of same by the Customer. In the case of loss or damage to any vessel or any other property of the Ship Owner, the Ship Owner shall grant full and reasonable facilities to the Company to survey all such loss or damage.
- 19.13 Notwithstanding the above, the Company shall have the right in any circumstances to elect or to rely on (in the alternative) any relevant statutory provisions providing for limitation or exclusion of liability.
- 19.14 For the avoidance of doubt it is hereby declared that the Company's liability in respect of any physical loss or damage whether in contract or in tort shall not extend outside the minimum and maximum limits specified in clause 19.3 (and sub-clauses) and that the Customer will indemnify the Company against all proceedings and claims howsoever arising and by whomsoever brought in respect of the liabilities as mentioned under this Clause so far as the amounts so claimed are outside the exclusions or limits prescribed in Clause 19.3 (and sub-clauses).
- 19.15 Except as has been expressly provided by Clause 19.3, the Company shall not be responsible for any loss or damage whatsoever to any vessel or any other property of a Ship Owner or to cargo or any other property of a Cargo Owner howsoever caused or arising, and in particular the Company shall not be liable for indirect or consequential damage including any claims for loss of use or profits or the loss of a particular market.
- 19.16 Unless notice of loss or damage and the general nature of such loss or damage have been given in writing to the Company before or at the time of the removal of the cargo into the custody of the person entitled to delivery thereof, removal shall be prima facie evidence of good/clean delivery by the Company of the cargo. If loss or damage is not apparent, then notice must be given within three (3) days of delivery by the Company. In any event, the Company shall be discharged from all liability in respect of loss or damage unless suit is brought within twelve (12) months after delivery of the cargo by the Company.

20 Indemnity

20.1 The Customer shall be responsible for and provide against all risks and contingencies including death or personal injury of any person or damage to any property whatsoever arising from the use of or the presence of his vessel or cargo at the Premises and its facilities and will indemnify the Company against all proceedings and claims by third parties and any sums expensed incidental thereto (including legal costs on a full indemnity basis) arising out of such use or presence or of any act neglect or default of the master of the vessel or the Customer or their respective contractors agents or servants (other than the Company, its servants and agents) or of any inherent quality or defect of any cargo at the Premises or on the vessel.

- 20.2 The Customer shall pay to the Company full compensation for all damage done to or suffered by the Premises and other property of the Company and arising as aforesaid.
- 20.3 The Company, its employees, independent contractors and agents of the Company shall be entitled to the benefit of all provisions herein which exclude or restrict liability of any kind and which the Customer shall be responsible to arrange same to apply, without exception for whatsoever reason. The Customer shall indemnify the Company in respect of same.

21 <u>Insurance</u>

- 21.1 The Company carries certain insurances in respect to operation of the terminal; it is the responsibility of inland carriers/cargo owners to ensure that their cargo is properly and appropriately insured whilst at the Company. The Company accepts no responsibility arising from the Cargo Owner's failure to insure their own cargo.
- 21.2 The Company shall not be obliged to take out any insurance on the Cargo for any risk whatsoever. It is the ultimate responsibility of the contractor of the inland carrier to insure they are appropriately insured.
- 21.3 In the event that the Cargo Owner requires the assistance of the Company to take out any insurance on the Cargo for and on behalf of the Cargo Owner, the Company may, upon the written request by the Cargo Owner and at its sole and absolute discretion, obtain a quote for insurance of the cargo against such risks as may be notified by the Cargo Owner. The quote will be conveyed to the Cargo Owner who will consider same and confirm in writing whether the quote can be accepted. Until such time as acceptance of the quote is received in writing from the Cargo Owner the Company will not place the insurance. The insurance can not be considered in place until such time as the Company confirms in writing to the Cargo Owner that the insurance underwriter has accepted the risk. All insurances on the Cargo shall be taken out at the Cargo Owner's expense and risk and all insurances shall be subject to the usual exceptions and conditions of the policies of the relevant insurance company or underwriter. By requesting the Company to effect insurance, the Cargo Owner authorizes the Company to make all arrangements with the insurer, including arrangements regarding the conditions of insurance and settlement of claims in respect of any damage. An arrangement fee will be charged for all insurances taken out under this clause.

21.3.1 The insured value shall be the value stated in writing by the Cargo Owner or the Company's estimate of the current value of the Cargo. The risks required to be covered shall be clearly stated in writing by the Cargo Owner to the Company. A mere statement by the Cargo Owner of the value is not sufficient and the Company shall not be obliged to take out any insurance on the Cargo where it is not sufficiently informed of the risks to be covered.

21.4 When acting as authorized agent by virtue of Clause 21.3 hereof, the Company shall be entitled to collect the amount of any claims paid out by any insurer. The Company shall be entitled to deduct any amounts that are due and payable by the Cargo Owner to the Company from any amounts received by the insurer before paying the balance to the Cargo Owner.

- 21.5 The Company shall not be liable for any loss arising from the failure or refusal by any insurer to pay in full or in part any amounts under any insurance as a result of any circumstance for which the Company cannot be held liable regardless of the manner in which the insurance was effected by the Company and notwithstanding that the Company may have charged the Cargo Owner any arrangement fees in taking out such insurances on behalf and/or at the request of the Cargo Owner.
- 21.6 If in the event of damage to the Cargo while the Cargo is in the custody of the Company, whether by fire or other causes which are covered by insurance, regardless of whether the insurance was effected through the Company or not, and the assistance of the Company for assessment of the damage is desirable or necessary, such assistance shall be rendered by the Company at its sole and absolute discretion against payment of such costs which may be involved and of such remuneration to be fixed by the Company for its assistance and services. The Company make such assistance conditional upon payment of all amounts that are due to the Company by the Cargo Owner.

22 Damage or Destruction of the Cargo

22.1 In the event that the Cargo is destroyed while the Cargo is in the custody of the Company whether by fire or otherwise, the date of destruction of the Cargo shall count as the date of delivery to the Cargo Owner and the rates, including storage charges plus any charges therein and any other applicable costs, charged in full months, together with insurance premium and cost (if the cargo are insured through the Company), plus any increases therein, shall be calculated up to and including this date and shall be due and payable forthwith by the Cargo Owner.

23 **Byelaws and Regulations**

23.1 Use of services described herein shall be subject to such Statutes, Byelaws Regulations and Directions of the Port Authority as may be in force from time to time.

24 <u>Relationship to Special Agreements</u>

24.1 These Terms and Conditions are supplemental to any special agreement made in writing between the company and any other party relating to Cargo Handling Services and shall prevail except insofar as is expressly excluded in such special agreement.

25 Jurisdiction

- 25.1 All claims under these Terms and Conditions shall be determined according to the Laws of Florida or at the sole discretion of the Company the Laws and Courts of the State wherein the premises are situated, to the exclusion of the jurisdiction of the courts of any other country.
- 25.2 Where these Terms and Conditions are silent on the rights and liabilities of the Company and or Customer, these shall be determined according to the Laws of Florida as aforesaid.

26 Comments and Complaints

- 26.1 Complaints regarding rules, rates and regulations in these Terms & Conditions must be presented in writing with supporting documents to Arrow Terminals Inc.
- 26.2 Deposition of all matters so presented will be given in writing.

27 Alterations and Variations

27.1 The foregoing conditions may be altered or varied at any time and from time to time in such respects and in such manner as the Company may consider desirable.

28 Enforcement of Terms & Conditions

- 28.1 These Terms & Conditions enact an implied contract between the Company and party in receipt of the Company's services, without proof that such party has actual knowledge of the provisions herein.
- 28.2 The Company shall be the sole judge as to the interpretation of these Terms & Conditions.
- 28.3 These Terms and Conditions are valid from 1st June 2008, revised as of June 2012 and subject to further revision at a later date.

<u>Appendix A</u>

CARGO HANDLING SERVICES

PART I (RECEIVING)

The service of RECEIVING may vary in accordance with the Customer requirements but will normally include the following:

- a) The provision of the following documentation:
 - i) Daily Tonnage Returns
 - ii) Final Tonnage Details
 - iii) Special Cargo Lists
- b) The receiving of cargo from road vehicle or rail wagon (where facilities allow) and taking to shed or place of rest.
- c) The provision of fork lift trucks (up to 2.5 tonnes S.W.L. capacity) on the premises for the Cargo Handling Services specified above.

Note:

The Service will be in respect of a fixed receiving period for outward cargo to be agreed between the Customer and the Company.

PART II (DELIVERY)

The service of DELIVERY will normally consist of:

- a) The delivery of cargo from the discharge tackle direct to waiting road vehicle, rail wagon (where facilities allow) or overside to craft.
- b) The stowing of cargo on the quay (unless otherwise specified).
- c) The delivery of cargo from quay or transit shed to road vehicle, rail (where facilities allow) or craft.
- d) The provision of fork lift trucks (up to 2.5 tonnes S.W.L. capacity) on the premises for the cargo handling services specified above.

SPECIAL SERVICES

Where Special Services are provided or performed by the Company in connection with the handling of cargo, an additional charge will be payable as specified by the Company from time to time. Such Special Services shall include, inter alia:

- a) Use of forklift trucks in excess of 2.5 tonnes SWL capacity.
- b) Use of mobile cranes.
- c) Use of specialist gear and equipment (including clothing).
- d) Provision of documentation not otherwise specified in this Addendum "A"
- e) Receiving outward cargo before the start of the allowed receiving period.
- f) Handling of unsound cargo.
- g) Coopering (collecting and binding) cargo for onward transportation purposes.
- h) Transferring cargo from one berth or location to another berth or location.
- i) Provision of any other operations or services not listed in this Addendum "A", which is requested by Customer and which the Company is able and willing to provide.
- j) Receiving cargo from road vehicle to premises for subsequent re-delivery to road, rail or container.



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ATI

AGENCY APPOINTMENT FOR COORDINATING INLAND MOVES

ARROW TERMINALS, INC.

hereby appointed as agent for and on behalf of Billing address:	,	
reinafter referred to as the Cargo Owner on this	day of, 20	

Description of Inventory Being Delivered Inland

<u>Vsl/Voy</u>	B/L #	Item	# Bdls	MT	Marks	Release #

REMUNERATION

TRUCKS

Arrow Terminals is to be remunerated by the Cargo Owner for coordinating transportation services for the cargo outlined above. The Cargo Owner is responsible for the immediate payment of all costs associated with the delivery of the aforementioned cargo which will include the rates and charges listed below:

Flatbeds @____=\$____ Administrative Fee _____ @ \$50 = _____ *(a)* = \$ Vans RAIL 60' Car 50' Car 60' High Cube A Frame **Rail Cars** <u>(a)</u>\$_____ @\$ @\$ @\$ Fuel Charge \$ \$ \$ \$ Blocking/Bracing \$ \$ \$ \$ OSB, Plywood, MDF Blocking/Bracing \$ \$ \$ \$ Lumber \$ Blocking/Bracing \$ \$ \$ \$ Aluminum Rail Handling Charges \$ \$ \$ \$ Administrative Fee \$ \$ \$ \$ \$50 per rail car

"LIABILITY

All trucks/railcars will be loaded by ATI as per valid instructions/requirements and responsibility of the trucking company or railroad, whichever applies. ATI shall not be responsible to any transportation company for any loss or damage whatsoever, howsoever caused, and the cargo owner shall be responsible for and indemnify ATI against any such loss, damage or charges provided that when a transportation company is selected by ATI they exercised reasonable care in said selection of the transportation company used for transport of the cargo. When requested under this Agency Appointment to procure the transportation services required by the cargo owner ATI acts only as the agent of the cargo owner and any party authorized by them to give instructions on their behalf. All terms and conditions of the transport provider will prevail direct with the cargo owner. In the event a claim arises, ATI will continue to act as agent for the cargo owner in dealing with the transport provider until such claim is resolved. Notwithstanding the foregoing, ATI will exercise a commercially reasonable standard of care in the selection of a transportation company suitable for the transport of the cargo which is the subject of this Agency Appointment for Coordinating Inland Moves. ATI cannot however guarantee the service and shall not be liable to the cargo owner, provided ATI have exercised reasonable care in procuring the services of the transportation company, should the transport provider not perform."

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APPENDIX C



Arrow Terminals, Inc. 600 Tampa Bay Way Palmetto, FL 34221 337-436-7650

Transfer of Ownership Authorization/Agreement

Note: Prior to this transfer taking effect, seller's account with Arrow Terminals, Inc. must be current.

Importer/Seller			Purchaser				
Address			Address				
Phone			Phone				
Contact			Contact				
E-Mail			E-Mail				
			Bank Name				
			Bank Address				
			Routing/Account #				
Description of Inventory	Being Transferr	ed					
Bill(s) of Lading #'s	Discharge _	Qty	MT	CBM	Marks		
		. <u></u>		<u> </u>			

It is hereby agreed that Arrow Terminals, Inc. (ATI) is authorized to transfer the above listed inventory and change the name on the account, from that of the importer/original consignee (seller) to that of the purchaser listed above, effective this _____ day of ______, ____ contingent upon completion of a successful credit check on the above listed purchaser.

It is also agreed, understood and acknowledged that the seller will remain responsible for any and all charges incurred (i.e., storage, handling, securing, etc.) up until the effective date of this agreement and the buyer will assume any and all charges incurred (i.e., storage, handling, securing, etc.) as of the effective date of this agreement. In the event the purchaser listed above, defaults on any of these terms, the seller agrees, understands and acknowledges that all delinquent and ensuing charges related to this cargo will be for seller's account.

The storage, handling and securing rates in effect at the signing of the agreement are attached and are subject to change. It is understood that transferring ownership will not alter the manner in which storage is calculated. Free time and subsequent billing periods are based on discharge date(s) and <u>NOT</u> on date of transfer. It is the purchaser's responsibility to immediately notify Arrow Terminals, Inc. of any address, telephone or e-mail address changes.

It is further agreed, understood and acknowledged that nothing contained in this transfer of ownership agreement alters or replaces ATI's Terms and Conditions which can be viewed on-line at: www.arrow-terminals.com.

Both parties agree, understand and acknowledge all of the conditions outlined above.

APPENDIX D

EXPORT LUMBER PACKAGING STANDARDS

Package Size

- Height: 24" or 30" plus or minus 2" (Excluding Dunnage)
- Width: 48" plus or minus 2" (Container packages 42-44")
- All bundles to be evenly butted at both ends, or one end butted with two lengths in the package, longer lengths on top with a minimum 12" depth and extending no more than 2' beyond the shortest length • Minimum 8' length, uniform height and width







- Minimum ³/₄" banding (galvanized preferred)
- Minimum bands per package:
- 8' 12' . . . 2 bands 14' 18' . . . 3 bands 20' & up. . . 4 bands

Attached Dunnage

- Preferred but optional
- Minimum 2" in height by 3" wide
- Minimum spacing: 8' - 12' . . . 2 pieces 14' & up . . . 3 pieces





Lathing

• Minimum of 3 pieces per tier, every three tiers, or sufficient lathing to ensure load stability

Markings

- Lot number . . . Both sides, both ends
- Length Both sides, both ends (preferred)
 Weight Both sides, weight must be realistic based on periodic testing by the shipper

Packaging will be closely monitored. Non-standard packages may be subject to a surcharge or not loaded at all.

• SAFETY • QUALITY • EFFICIENCY • EQUITY •

As prepared by the B.C. Wharf Operators Association and the B.C. Chamber of Shipping, forest products carriers.