

SHIPPING MANAGEMENT SERVICES LTD

STANDARD TRADING CONDITIONS

The activities of Shipping Management Services Limited (the Company) in the course of its business whether gratuitous or not are undertaken subject to these conditions. These conditions shall be read subject to legislation applicable to business undertaken by the company and shall not operate either to remove or import any rights or duties beyond the compulsory requirements of such legislation which shall prevail to any extent inconsistent with these conditions.

THE CUSTOMER

1. The customer warrants that he is either the owner of the goods to which these conditions relate or its authorised agent. The customer contracts with the company on these conditions and accepts any document issued pursuant to such contract for itself, the owner, the sender and the consignee of the goods together with their agents, any person for whom they or their agents act and any person having an interest in the goods at any time. The company may enforce these conditions and any liability arising under them jointly and severally against such persons.
2. The Customer shall indemnify the company against all claims and liabilities and all loss damage cost or expense whatsoever arising (to third parties or otherwise) from the company acting under or pursuant to or for action taken as reasonably necessary for or incidental to the carrying out of any contract on the conditions or (subject to paragraph 4) the customer's instructions and all duties taxes impost levies deposits and other outgoings of whatsoever nature (including additions to the same) so arising, in each case provided the company has acted in accordance with paragraph 3.

THE COMPANY

3. The company shall at all times act in good faith in accordance with its judgement of the interests of the customer and consistently with its customary practices, including (subject to paragraph 4) in the performance of the customer's instructions provided that the company shall not incur any liability in consequence of the exercise of its discretion to depart from such instructions where circumstances so require. In such circumstances the company shall in so far as practicable seek the further instructions of the customer.
4. Any special instructions or requirements of or any special agreement reached with the customer shall be made in writing and shall apply between the company and the customer to override these conditions where there is apparent inconsistency.
Otherwise the customer acknowledges that the company undertakes business on behalf of the customer in accordance with the terms of and standards prescribed by these conditions, including in the conduct of instructions or requirements of or any special agreement reached with the customer communicated to the company but not reduced to writing. Any instructions given by the customer shall be sufficient for the performance by the company of its obligations, and the company shall not incur any liability for any insufficiency. In so far as practicable the company shall draw any insufficiency to the attention of the customer.
5. The company may undertake business under these conditions as agent or principal contractor. Payment of a fixed price for any business undertaken shall not of itself determine the capacity in which the company acts. If the company provides documentary evidence that business is undertaken as agent for the customer, it shall be for the customer to affirmatively demonstrate that the company acted as principal.
The company shall be entitled to undertake any business on behalf of the customer by itself or by its parent, subsidiary or associated companies or by any other person, firm or company and contracts made on and subject to these conditions are made by the company on its own behalf and also as agent for and on behalf of any such parent, subsidiary or associated company, and any such company shall be entitled to the benefit of these conditions.
6. The company shall be entitled and the customer hereby expressly authorises the company to enter into contracts as agents of the customer,
 - (a) For the carriage of goods by any route or means or person;

- (b) For the storage, packing, trans-shipment, loading, unloading or handling of the goods by any person at any place whether on shore or afloat and for any length of time;
 - (c) For the carriage or storage of goods in or on loading devices as mentioned in paragraph 13 , or with other goods of whatever nature; and
 - (d) To do such acts as the company acting in accordance with paragraph 3 consider reasonably necessary for or identical to the carrying out of any contract on these conditions or (subject to paragraph 4) the customer's instructions.
7. In entering into contracts pursuant to paragraph 6 (including in particular subparagraph (d)) as agent of the customer, the customer agrees that direct contractual relationships will be established with the relevant third party to the exclusion of the company.
8. Where there is a choice of rates according to the extent or degree of the liability assumed by carriers, warehousemen or any other third party, no declaration of value where optional will be made. The company shall be under no liability to the customer by reason of having entered into any contract on behalf of the customer whereby the extent or degree of the liability assumed by any such third party is in any respect excluded or limited. No declaration for the purpose of any statute, convention or contract as to the nature or value of any goods or any special interest in delivery will be made.
9. Nothing in these conditions shall impose upon the company any duty or liability for failure to inquire into the competence of any third party with whom the customer contracts through the company as agent nor to monitor or supervise the carrying out of such contract by any such party.
10. The company is not a common carrier and undertakes its business on the basis of these conditions alone. If it is established that the company acts in principal it shall act in accordance with paragraph 3 but in any event shall exercise its own discretion as to the means, route and generally as to the manner in which business is to be undertaken by the company as principal.

THE GOODS

11. The company will not handle or deal under these conditions with goods of a special or hazardous nature or characteristics or of special value or generally which involve risk which the customer ought to draw to the attention of the company and the company accepts no obligation or liability whatsoever for any dealings with such goods. The customer shall make adequate inquiry of the company's practices in any case where such risk may be involved and notify the company where the customer wishes such goods to be handled or dealt with. The customer shall indemnify the company against all claims and liabilities and all loss damage cost or expense whatsoever arising (to third parties or otherwise) from handling or dealing with any such goods.
12. The customer warrants that the description and particulars of any goods given by or on behalf of the customer are full and accurate and that all goods have been properly and sufficiently prepared, packed, stowed, labelled and/or marked in a manner appropriate to their nature or characteristics and for handling or dealing with them under these conditions.
13. The customer warrants and undertakes that all containers, trailers, flats, tilts, railway wagons, tanks, igloos and other unit load devices constructed for the carriage of goods by land, sea or air have and will be properly and competently loaded, that the goods are suitable for carriage in the unit used and that such unit is in a condition suitable for carriage of such goods.

EXCLUSIONS AND LIMITATIONS ON LIABILITY

14. The company shall be under no obligation or liability for and the customer waives any claims against the company in respect of
- (a) The act or omission of the customer, or person other than the company acting on behalf of the customer including in relation to the handling, loading, storage or unloading of the goods, or of the person from whom the company takes the goods in charge;
 - (b) Insufficiency of the packing, application of marks or labelling or numbering of the goods;
 - (c) Inherent vice of the goods;
 - (d) Strike, lock out, stoppage or restraint of labour, the consequences of which the company was unable to avoid by acting in accordance with paragraph 3;
 - (e) The consequences of any event which the company could not avoid or expect to avoid by acting in accordance with paragraph 3;

- (f) Breach of duty whether in contract or tort, of any servant, agent or subcontractor (including any delegate or sub delegate of any of them) of the company;
 - (g) Any indirect or consequential loss including (but not limited to) loss of profit, market or the consequences of delay or deviation howsoever caused;
 - (h) Any claim made against the company of which the company receives notice more than nine months after the earliest event or occurrence on which such claim is based;
 - (i) In any case where it is established that the company acts as principal contractor, for any period when the goods are outside the control of the company and for this purpose the goods are in its control between the times delivery is taken until the company is entitled to release the goods from its possession.
15. (1) The company's liability whether in contract or tort or otherwise howsoever arising and notwithstanding that the cause of loss or damage be unexplained shall not exceed:-
- (i) In the case of claims for loss
 - (a) The value of any goods lost or damaged, or
 - (b) A sum at the rate of two special drawing rights as defined by the international monetary fund, (hereinafter referred to as SDR's), per kilo of gross weight of any goods lost or damaged
Whichever shall be the least;
 - (ii) In the case of all other claims
 - (a) The value of the goods subject of the relevant transaction between the company and the customer, or
 - (b) A sum at the rate of two SDR's per kilo of the gross weight of the goods the subject of the relevant transaction, or
 - (c) 75,000 SDR's in respect of any one transaction whichever shall be the least.

For the purposes of paras (i) and (ii) above the value of the goods shall be their value at the place and time they are delivered to the consignee in accordance with the relevant transaction between the company and the customer or should have been so delivered. SDR's shall be calculated as at the date when the claim was first notified to the company in writing;

- (2) The company's liability for loss or damage as a result of failure to deliver or arrange delivery of goods in a reasonable time or (subject to paragraph 4) to adhere to agreed departure or arrival dates shall not in any circumstances whatever exceed a sum equal to twice the amount of the company's charges in respect of the relevant transaction.

GENERAL

16. The company shall be under no obligation or liability for departure or arrival dates of goods. If delivery of the goods is not taken (through refusal or any other reason) by any person in accordance by the terms of which the company is entitled to require delivery to be taken, the company may store the goods at the sole risk and expense of the customer, and the company may at least 90 days after delivery is not taken by 21 days' notice to the customer (except where the nature of the goods requires more immediate action) sell or otherwise dispose of such goods. After crediting the company with all of its costs on such disposal, the proceeds shall be paid to the customer.
17. No insurance will be arranged except upon the express written instructions of the customer and the customer agrees so long as the company acts in accordance with paragraph 3 in the implementation of such instructions to accept all the terms and conditions of any policy arranged (which, subject to such instructions, need not be separate for each consignment) without obligation or liability of the company. The company arranges any such policy solely as agent of the customer and subject always to paragraphs 14 and 15.
18. Except where the company expressly undertakes to give advice or other information or to undertake research for a separate charge (including where the company liaises or negotiates on behalf of the customer with insurers or their brokers), it is given gratuitously and wholly incidental to any business undertaken for the customer. No reliance is placed by the customer upon the basis of any special relationship existing between the company and the customer in the giving of such advice or information or undertaking of research and the company does so without representation or liability for negligence or otherwise whatsoever, the customer being confined to any remedy available to it arising from the company's performance of the customer's business subject to these conditions.

19. The company shall have a general lien on all goods and documents in its possession custody or control for all sums due at any time from the customer or the owner of the goods. In the exercise of such lien, the company may by 28 days' notice to the customer (except where the nature of the goods requires more immediate action) sell or otherwise dispose of such goods. After crediting the company with all sums due from the customer or the owner of the goods, and all of its costs for such disposal, the proceeds shall be paid to the customer.
20. These conditions shall be governed by and construed according to English law and the English courts shall have exclusive jurisdiction in proceedings.

Please acknowledge your acceptance of these terms by signing and returning a copy for our records.

I acknowledge receipt of this document and agree to abide by the terms and conditions.

Signature:-.....

Company:-.....

Name in capitals:-.....

Position within Company:-.....

Date:-.....