

INTERLOG USA, INC. OCEAN BILL OF LADING TERMS AND CONDITIONS

DEFINITIONS. "Carrier" means INTERLOG USA, INC., its employees, agents, and assigns, and the party on whose behalf this bill of lading ("B/L") has been signed. "Merchant" includes the Shipper, the Receiver, the Consignor, the Consignee, the Holder of this B/L, and the Owner of the Goods. "Goods" mean the cargo described on the face of this B/L and, if the cargo is packed into containers, supplied or furnished by or on behalf of Merchant, shall include the containers as well. "Container" includes, unless otherwise indicated, any container, trailer, transportable tank, flat or pallet and similar articles of transport. The headings set forth herein are for easy reference only. I. GENERAL PROVISIONS 1. APPLICABILITY. Notwithstanding the heading "Combined Transport Bill of Lading," the provisions set out and referred to in this document shall also apply if the transport as described on the face of the bill of lading is performed by one mode of transport only. If any legislation is compulsory and applicable to any business undertaken, these conditions shall, as regards such business, be read as subject to such legislation and nothing in these conditions shall be construed as a surrender by the Carrier of any of its rights or immunities or as an increase in its responsibilities or liabilities under such legislation, and if any of these conditions are repugnant to such legislation to any extent such part shall as regards such business be void to that extent and no further. Similarly, if any provision of this B/L is held to be invalid or unenforceable by any court or regulatory or self-regulatory agent or body, such invalidity or unenforceability shall attach only to such provision. The validity of the remaining provisions shall not be affected thereby and this B/L contract shall be enforceable if such invalid or unenforceable provision were not contained herein. 2. TARIFF. The terms of the applicable Tariff at the date of shipment are incorporated herein. The applicable Tariff is available at the internet location noted by the Federal Maritime Commission for Carrier. In case of conflict, the Tariff shall prevail. 3. NEGOTIABILITY AND TITLE TO THE GOODS. This B/L shall be nonnegotiable unless made out "to order," in which event it shall be negotiable and shall constitute title to the goods and the holder shall be entitled to receive or to transfer the goods herein described. 4. TIME BAR. All liability whatsoever of the Carrier shall cease unless suit is brought in the proper forum and written notice received thereof by the Carrier within nine months after delivery of the goods or the date when the goods should have been delivered. In the event that such time period shall be found to be contrary to any convention or law compulsorily applicable, the period prescribed by such convention or law shall then apply but in that circumstance only. 5. JURISDICTION. Disputes arising under this B/L shall be determined by the U.S. District Court for the District of Minnesota in accordance with the laws of Minnesota and the United States. II. PERFORMANCE OF THE CONTRACT 6. ISSUANCE OF THE COMBINED TRANSPORT BILL OF LADING. (1) By the issuance of this "Combined Transport Bill of Lading," Carrier undertakes to perform or to procure the performance of the entire transport from the place at which the goods are taken in charge to the place designated for delivery in this B/L. In doing so, Carrier assumes liability in accordance with the provisions of this B/L. (2) Merchant understands and agrees that Carrier is 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. Merchant further understands and agrees that when the transportation described herein covers an inland transportation to and from ocean terminals, then the carriage which the Carrier may subcontract may include procurement of transportation by inland carriers (one or more) authorized by competent authority to engage in transportation between such points. (3) For the purposes of and subject to the provisions of this B/L, Carrier shall be responsible for the acts and missions of any person whose services it makes use of for the performance of the contract of carriage evidenced by this B/L. Merchant undertakes that no claim or allegation shall be made against any such agent, or subcontractor of Carrier, which imposes or attempts to impose upon any of them or any vessel or facility owned by them any liability whatsoever in connection with the goods. If any such claim or allegation should nevertheless be made, Merchant shall indemnify Carrier against any and all consequences thereof. (4) The expression "subcontractors" in this clause shall include direct or indirect subcontractors and their respective servants and agents. 7. METHODS AND ROUTES OF TRANSPORTATION. (1) The Carrier is entitled to perform the handling, storage, and transportation of goods in any reasonable manner and by any available means, methods and routes. (2) In accordance herewith, for instance, in the event of carriage by sea, vessels may sail with or without pilots, undergo repairs, adjust equipment, dry-dock and tow vessels in all situations. 8. UTILIZATION OF OPTIONAL STORAGE. (1) Goods may be stowed by the Carrier in containers, trailers, transportable tanks, flats, pallets, or similar articles of transport used to consolidate goods. (2) The Carrier has the right, without giving notice to the Merchant, to carry on deck containers, trailers and transportable tanks, whether stowed on or off the vessel, in any reasonable condition from the Merchant. 9. DELIVERY. If the goods are not taken by the Merchant at the time when the Carrier is entitled to call upon it to take delivery, then the Carrier shall be at liberty to put the goods in safe custody on behalf of the Merchant at the Merchant's sole risk and expense, whereupon the liability of the Carrier in respect of the goods or the parts thereof stored as aforesaid (as the case may be) shall wholly cease and the cost of such storage (if paid or payable by Carrier or any agent or subcontractor of Carrier) shall forthwith upon demand be paid by Merchant to Carrier. The Merchant's attention is drawn to the stipulations concerning free storage time and demurrage contained in the Carrier's applicable tariff, which is incorporated in this bill of lading. 10. MATTERS AFFECTING PERFORMANCE. (1) The Carrier shall use reasonable endeavors to complete the transport and to deliver the goods at the place designated for delivery. Arrival times are not guaranteed by Carrier and Carrier shall not be liable for delay. (2) If, at any time, the performance of the contract, as evidenced by this B/L, in the opinion of the Carrier, is, or is likely to be, affected by any hindrance, risk, delay, difficulty or disadvantage of whatsoever kind including strike and if, by virtue of sub clause (1), the Carrier has no duty to complete the performance of the contract, the Carrier, whether or not the transport is commenced, may elect to: (a) treat the performance of this contract as terminated and place the goods at the Merchant's disposal at any place which the Carrier shall deem safe and convenient, or (b) deliver the goods at the place of delivery. In any event, the Carrier shall be entitled to full freight for any goods received for transportation and additional compensation for extra costs resulting from the circumstances referred to above. III. CARRIER'S LIABILITY 11. BASIC LIABILITY. (1) 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 (hereinafter referred to as COGSA), approved April 6, 1936, which shall be deemed incorporated herein, and nothing contained herein 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 of the said Act. Notwithstanding the provisions of Section 1(e) of COGSA, COGSA shall govern throughout the entire time the goods are in the custody of the Carrier until delivered. If any provisions herein contained are invalid under COGSA insofar as COGSA applies as a matter of law, it shall to the extent of such invalidity, but no further, be null and void. All the rights, privileges, defenses, immunities from and limitations of liability provided for in this Bill of Lading shall apply in any action against the Carrier for loss or damage to the Goods whether such action be founded in contract, tort, or otherwise. (2) Carrier shall not be liable in any

capacity whatsoever for delay, non-delivery, or mis-delivery or loss of or damage to the goods occurring while the goods are not in the custody of the Carrier. (3) The Carrier shall have no liability for any loss or damage to the goods if such loss or damage arose or resulted from: (a) An act or omission of Merchant or person other than Carrier acting on behalf of Merchant or from whom Carrier took the goods in charge; (b) Compliance with the instructions of the person entitled to give them; (c) The lack or insufficiency of or defective condition of packing in the case of goods which, by their nature, are liable to wastage or to be damaged when not packed or when not properly packed; (d) Handling, loading, stowage or unloading of the goods by or on behalf of the Merchant; (e) Inherent vice of the goods; (f) Insufficiency or inadequacy of marks or numbers on the goods, coverings or unit loadings; (g) Strikes or lock-outs or stoppage or restraint of labor from whatever cause, whether partial or general; (h) Fire, unless caused by the actual fault or privity of the Carrier; (i) Any cause or event which the Carrier could not avoid and the consequences of which could not be prevented by the exercise of reasonable diligence. (4) Where, under sub-Clause (3), the Carrier is not under any liability in respect of some of the factors causing the loss or damage, it shall only be liable to the extent that those factors for which it is liable under this clause have contributed to the loss or damage. (5) The burden of proving that the loss or damage was due to one or more of the causes or events specified in (a), (b), and (h) of sub clause (3) shall rest upon the Carrier. When the Carrier establishes that, in the circumstances of the case, the loss or damage could not be traced to one or more of the causes or events specified in (c) to (g), sub clause (3), it shall be presumed that it was so caused. The claimant shall, however, be entitled to prove that the loss or damage was not, in fact, caused either wholly or partly by one or more of the causes or events. (6) The Merchant shall be entitled to the full benefit and right to the limitation of, or exemption from, liability authorized by any provisions of the Revised Statutes of the United States and amendments thereto and of any other provisions of the laws of the United States or any other country whose laws shall apply. (7) The Merchant shall defend, indemnify and hold harmless the Carrier against any claim or demand (including any expense arising therefrom) arising from the carriage of goods insofar as such claim or liability exceeds the Carrier's liability under this B/L. (8) The Carrier shall not be liable for consequential loss or damage. (9) THIS BILL OF LADING SHALL NOT BE AMENDED BY THE CARRIER EXCEPT WITH THE EXPRESS INSTRUCTIONS IN WRITING OF THE CONSIGNOR AND THEN ONLY AT HIS EXPENSE AND LODGEMENT OF A DECLARATION AS TO VALUE PRIOR TO SHIPMENT. 12. THE AMOUNT OF COMPENSATION. (1) When the Carrier is liable for loss or damage to the goods, such liability shall be calculated by reference to the Merchant's net invoice value of the goods plus freight, charges, and insurance premium, if paid. (2) Except in the case where Clause 13 applies, Carrier's liability shall not exceed U.S. \$500.00 per package or customary freight unit. (3) Where containers, vans, trailers, transportable tanks, flats, palletized units and other such packages or similar articles of transport are not packed by the Carrier, each such container, van, trailer, transportable tank, flat, palletized unit, and other such package or article of transport, if used in accordance with their contents, shall be deemed to be a single package and Carrier's liability with respect to the package shall be limited to the amount of \$500 as set forth in Clause 12(2) above. (4) Higher limit of liability may be claimed only when, with the consent of the Carrier, and only when additional freight has been paid in accordance with the appropriate Tariff, the value for the goods declared by the Consignor which exceeds the limits laid down in this clause has been stated in this Bill of Lading. In that case, the amount of the declared value shall substitute for the limit set forth in the PROVISIONS INCLUDING PORT-TO-PORT SHIPMENTS. (1) When the Carrier is liable for loss or damage to the goods, and the place where loss or damage occurred cannot be established, the loss or damage shall be deemed to have occurred during sea voyage and the liability of the Carrier shall be determined by clauses 11 and 12 of this Bill of Lading. (2) Notwithstanding anything provided for in clauses 11 and 12 of this Bill of Lading, if it can be proved where the loss or damage occurred, the Carrier and or the Merchant shall, as to the liability of the Carrier, be entitled to require such liability to be determined by the provisions contained in any international convention or national law, which provisions: (a) cannot be departed from private contract, to the detriment of the Claimant, and (b) would have applied if the Merchant had made a separate and distinct contract with the Carrier in respect of the particular stage of transport in which the loss or damage occurred, and received as evidence thereof, any particular document which must be issued if such international convention or national law applies. (3) In respect of deck cargo not covered by clause 8, and live animals, the Carrier has no obligation, specially, to equip, secure, stow, load, lash, secure, handle and preservation of such cargo, and has no responsibility for loss or damage which may be attributable to the carriage on deck or for injury to or illness or mortality of live animals. The burden of proof of negligence on the part of the Carrier shall be on the Merchant. In no case shall the responsibility of the Carrier exceed its responsibility for ordinary cargo according to this Bill of Lading. 14. NOTICE OF LOSS. Unless notice of loss or damage to the goods and the general nature of it be given in writing to the Carrier at the place of delivery before the time of removal of the goods into the custody of the person entitled to delivery thereof under this Bill of Lading, or if the loss or damage be not apparent, within three consecutive days thereafter, such removal shall be prima facie evidence of the delivery by the Carrier of the goods as described in this Bill of Lading. 15. DEFENSES AND LIMITS FOR THE CARRIER AND SERVANTS, ETC. (1) The defenses and limits of liability provided for in this B/L shall apply in any action against the Carrier for loss or damage to the goods whether the action be founded in contract or in tort. (2) Without prejudice to sub clause (3), clause (6), every servant, agent or subcontractor, including stevedores, inland carriers, or any of those referred to in sub-clause (2) of clause 6, shall be entitled to avail itself of the defenses and limits of liability which the Carrier is entitled to invoke under this contract as if such provisions were expressly for their benefit and in entering into this Contract, Carrier, to the extent of those provisions, does so not only on its own behalf, but also as agent and trustee for such servant, agents, and subcontractors. (5) In any case, the aggregate of the amounts recoverable from the Carrier and its servants, agents or subcontractors, including stevedores, inland carriers, and any of those referred to in sub-clause (2) of clause 6, shall in no case exceed the limits provided for in this document. IV. DESCRIPTION OF GOODS 16. CARRIER'S RESPONSIBILITY. This B/L shall be prima facie evidence of the receipt by the Carrier of the total number of containers or other packages or units enumerated overleaf, in respect of the particulars which it had reasonable means of checking. In respect of such particulars, proof to the contrary shall not be admissible when this document has been transferred to a third party acting in good faith. 17. MERCHANT'S PACKING AND DESCRIPTION OF GOODS. (1) The Merchant shall be deemed to have guaranteed to the Carrier the accuracy, at the time the goods were taken in charge by the Carrier, of the description of the goods, marks, number, quantity, weight and volume, as furnished by it, and the Merchant shall indemnify the Carrier against all losses, damages and expenses arising or resulting from inaccuracies in, or adequacy of such particulars. The right of the Carrier to such indemnity shall in no way limit its responsibility and liability under this B/L to any person other than the Merchant. (2) Merchant shall be liable for any loss, damage or injury caused by faulty or insufficient packing of goods or by faulty loading or packing within containers or

loaded on trailers and on flats when such packing or loading has been performed by Merchant or on behalf of Merchant or by the defect or unsuitability of the containers, trailers, or flats, when supplied by Merchant and shall indemnify the Carrier against any additional expenses so caused. (3) If a container which has not been filled, packed, stuffed or loaded by the Carrier is delivered by the Carrier with seals intact, such delivery shall be deemed as full and complete performance of the Carrier's obligation hereunder and the Carrier shall not be liable for any loss of or damage to the contents of the container. (4) The Merchant shall inspect all containers prior to packing or loading, and the use of containers shall be prima facie evidence of their being sound and suitable for use. 18. FREIGHT AND CHARGES. (1) Freight and charges shall be paid in cash without discount and, whether prepayable or payable at destination, shall be deemed as earned on receipt of the goods and not to be returned or relinquished in any event. (2) The Merchant's attention is drawn to the stipulations concerning currency in which the freight and charges are to be paid, rate of exchange, devaluation and other contingencies relative to freight and charges in the relevant tariff conditions. If no such stipulation exists or is applicable, the following clause to apply: If the currency in which freight and charges are quoted is devalued, or if an alteration in the rate of exchange occurs with the same effect as a devaluation between the date of the freight agreement and the date when freight and charges are paid, then all freight and charges shall be automatically and immediately increased in proportion to the extent of the devaluation of the said currency in case the government authorities of the country of payment of the freight and charges have introduced a new currency other than the above mentioned currency, then all freight and charges shall, subject to the preceding paragraph, be paid at the highest selling rate of exchange for banker's sight draft current on the day when such freight and charges are paid. If the banks are closed on the day when the freight and charges are paid, the rate to be used will be the one in force on the last day the banks were open. (3) The freight has been calculated on the basis of the particulars furnished by or on behalf of Merchant, who warrants the conditions of the declaration of contents, insurance, weight, measurement and value of the goods for the purpose of verifying the freight basis, the Carrier reserves the right to have the contents of containers, trailer, or similar articles of transport inspected in order to ascertain the weight, measurement, value, or nature of the goods. (4) If the particulars furnished by or on behalf of Merchant are incorrect, it is agreed that a sum equal to either five times the difference between the correct freight and the freight charged or to double the current freight less the freight charged, whichever sum is the smaller, shall be payable as liquidated damages. If a General Average notice is issued, the amount having been stated herein as freight payable. (5) Merchant shall be jointly and severally liable to Carrier for the payment of all freight and rates and the performance of the obligation of each of them hereunder. (6) Merchant shall comply with all regulations or requests of government authorities or international conventions and shall bear and pay all duties, taxes, fines, impost, expenses, or losses incurred or suffered by reason thereof or by reason of any illegal, incorrect, or insufficient marking, numbering, addressing, or documentation of the goods, and shall indemnify Carrier in respect thereof. (7) Merchant shall reimburse Carrier for any amount to the amount of freight for any costs for deviation or delay or other increase of costs of whatever nature caused by war, warlike operations, epidemics, strikes, government directives, or force majeure. 19. LIEN. The Carrier shall have a general lien on the goods and all documents relating thereto for any and all amounts due under this contract and/or as may arise under any and all applicable laws, including, but not limited to General Average storage fees and costs of recovering same and the Intermodal Safe Container Act, and shall have a special lien on the goods (including the container or item of packing or of equipment in or on which the goods are shipped) in any reasonable manner in which it may think fit to cover any claim. 20. GENERAL AVERAGE. The Merchant shall indemnify the Carrier in respect of any claim of General Average notwithstanding that the Merchant is not and shall provide such security as may be required by the Carrier in this connection. 21. BOTH-TO-BLAME COLLISION. If the Vessel on which the goods are carried (the carrying Vessel) comes into collision with any other vessel or object (the non-carrying vessel) or person in respect of the registration of the non-carrying vessel or the owner of, charterer of or person responsible for the non-carrying vessel or object, the Merchant undertakes to defend, indemnify and hold harmless the Carrier against all claims by or liability to (and any expense arising therefrom) any vessel or person in respect of the registration of the non-carrying vessel or the owner of, charterer of or person responsible for the non-carrying vessel or object, and the name and address of the sender and the receiver have been previously given to the Carrier or its Agent; and the dangerous or damaging nature of the goods is distinctly marked on the outside of the package or packages as required by applicable statutes or regulations and, in addition, on each container, flat, trailer, etc. (2) Goods of a dangerous nature which the Carrier did not know were dangerous may, at any time or place, be unloaded, destroyed, or rendered harmless, without compensation. In such event, Merchant shall be liable for all loss, damage, delay, or expenses arising out of or related to their being taken into charge, or their carriage, or any service incidental thereto. The person entitled to the goods shall have the burden of proving that the Carrier knew the exact nature of the danger constituted by the carriage of the said goods. (3) If any goods shipped with the knowledge of the Carrier as to their dangerous nature shall become a danger to the conveyance or cargo, they may, in like manner, be landed at any place or destroyed or rendered innocuous by the Carrier without liability or compensation on the part of the Carrier except to General Average, if any. 22. TEMPERATURE CONTROLLED CARGO. Merchant shall not tender for carriage any goods which require temperature control without previously giving written notice of their nature and the particular temperature range to be maintained to Carrier. Carrier shall not be liable for any loss or damage to these goods arising from Merchant's failure to comply with these requirements or from defects, faults, breakdown, stoppage of the temperature controlling machinery, plant, insulation, or any apparatus of the container. 24. VARIATION OF THE CONTRACT. No servant or agent of the Carrier shall have power to waive or vary any of the terms set forth herein and no such waiver or variation shall be binding and is specifically authorized or ratified in writing by a director or officer of the Carrier who has the actual authority of the Carrier to so waive or vary the terms. THIS BILL OF LADING LIMITS INTERLOG USA, INC.'S LIABILITY TO \$500 PER PACKAGE OR CUSTOMARY FREIGHT UNIT, TO OBTAIN HIGHER LIMITS OF LIABILITY THE MERCHANT MUST DECLARE IN WRITING A GREATER VALUE AND PAY ADDITIONAL FREIGHT TO BE AGREED.