

## 1. Definition

The following words both on the face and back hereof have the meanings hereby assigned:

"Carrier" means MD LOGIS CORPORATION.

"Merchant" includes the shipper, consignor, consignee, owner and receiver of the Goods and the holder of this Bill of Lading.

"Goods" means the cargo described on the face of this Bill of Lading and, if the cargo is packed into container(s) supplied or furnished by or on behalf of Merchant, include the container(s) as well.

"Sub-contractor" includes owners and operators of vessels, stevedores, terminal operators, road and rail transport operators and any independent contractor and their respective servants or agents employed by the Carrier in performance of the whole or any part of the Carriage.

## 2. Governing Law and Jurisdiction

The contract evidenced by or contained in this Bill of Lading shall be governed by Japanese Law except as may be otherwise provided herein, and any action thereunder shall be brought before the Tokyo District Court in Japan.

## 3. Undertaking and Liability of Carrier

A. (1) 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 Bill of Lading.

(2) Carrier assumes liability in accordance with the provisions of this Bill of Lading.

(3) For the purposes of and subject to the provisions of this Bill of Lading Carrier shall be responsible for the acts and omissions of any person of whose services he makes use for the performance of the contract evidenced by this Bill of Lading.

B. (1) Carrier shall be liable for loss of or damage to the Goods occurring between the time when he takes the Goods into his charge and the time of delivery.

(2) Carrier shall, however, be relieved of liability for any loss or damage if such loss or damage was caused by:

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) insufficiency or defective condition of the packaging or marks and/or numbers;

c) handling, loading, stowage or unloading of the Goods by Merchant or any person acting on behalf of Merchant;

d) inherent vice of the Goods;

e) strike, lockout, stoppage or restraint of labour the consequences of which Carrier could not avoid by the exercise of reasonable diligence;

f) compliance with the instructions of the person entitled to give them;

g) fire, unless caused by the actual fault or privity of Carrier;

h) any cause or event which Carrier could not avoid and the consequences whereof he could not prevent by the exercise of reasonable diligence.

## 4. Special Provisions

A. Notwithstanding the preceding clause, if the stage of transport where the loss or damage occurred is known, the liability of Carrier in respect of such loss or damage shall be determined by the provisions contained in any international convention or national law, if any, which provisions

(1) cannot be departed from by private contract to the detriment of Merchant; and

(2) would have applied if Merchant had made a separate and direct contract with Carrier in respect of the particular stage of transport where the loss or damage occurred and received as evidence thereof any particular document which must be issued if such international convention or national law shall apply.

B. Notwithstanding A of this clause

(1) If it is proved that the loss or damage occurred during transport by sea or inland waterways, this Bill of Lading shall have effect subject to the provisions of any legislation of the Hague Rules contained in the International Convention for the Unification of the Certain Rules relating to Bills of Lading signed at Brussels on August 25th, 1924 or of any legislation of the Hague-Visby Rules contained in the Protocol to amend the Hague Rules done at Brussels on 23 February 1968, or, where applicable, by the Protocol amending the Hague Rules as amended by the Protocol of 23 February 1968 done at Brussels on 21 December 1979, in the country of shipment where they are in force as enacted.

(2) If it is proved that the loss or damage occurred during transport by air, this Bill of Lading shall have effect subject to the provisions of the Convention for the Unification of Certain Rules relating to International Carriage by Air signed at Warsaw, October 12th, 1929, as amended by the Hague Protocol, 1955.

## 5. Negotiability and Title to the Goods

(1) This Bill of Lading shall be deemed to be negotiable, unless marked "non-negotiable".

(2) By accepting this Bill of Lading Merchant and his transferees agree with Carrier that unless it is marked "non-negotiable" it shall constitute title to the Goods and the holder by endorsement of this Bill of Lading shall be entitled to receive or to transfer the Goods herein mentioned.

## 6. Description of Goods

(1) This Bill of Lading shall be prima facie evidence of the receipt by Carrier of the total number of containers or other packages or units enumerated overleaf.

(2) No representation is made by Carrier as to the weight, contents, measure, quantity, quality, description, condition, marks, numbers or value of the Goods and Carrier shall be under no responsibility whatsoever in respect of such description or particulars.

## 7. Merchant's Responsibility

(1) Merchant warrants to Carrier that he particulars relating to the Goods as set out overleaf have been checked by Merchant on receipt of this Bill of Lading and that such particulars and any other particulars furnished by or on behalf of Merchant are correct.

(2) Merchant shall indemnify Carrier against all loss, damage and expenses arising or resulting from inaccuracies or inadequacy of such particulars. The right of Carrier to such indemnity shall in no way limit his responsibility and liability under this Bill of Lading to any person other than Merchant.

## 8. Merchant's Packing

Without prejudice to clause 3.B.(2).c. Merchant shall be liable for any loss, damage or injury caused by faulty or insufficient packing of the Goods or by faulty packing within containers or loading 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 Carrier against any additional expenses so caused.

## 9. Dangerous Goods and Indemnity

(1) Merchant undertakes not to tender for transportation any Goods which are of an explosive, inflammable, radio-active, corrosive, damaging, noxious, hazardous, poisonous, injurious or dangerous nature without giving prior written notice of their nature to Carrier and making the Goods and containers or other covering on the outside as required by any laws or regulations which may be applicable during the carriage.

(2) If the requirements of sub-clause(1) are not complied with, the Goods may, at any time or place or waters during the transport, be unloaded, thrown overboard, destroyed, or rendered harmless or otherwise disposed of at Carriers discretion without compensation and Merchant shall indemnify Carrier against all loss, damage or expense arising out of the Goods being tendered for transportation or handled or carried by carrier. Further, Carrier shall be under no liability to make any general average contribution in respect of such Goods.

(3) If the Goods of an explosive, inflammable, radio-active, corrosive, damaging, noxious, hazardous, poisonous, injurious or dangerous nature which were tendered in compliance with sub-clause(1), shall become a danger to the vessel, cargo or any other property or person, such Goods may in like manner be unloaded, thrown overboard, destroyed, rendered harmless or otherwise disposed of at Carrier's discretion without compensation.

## 10. Deck Cargo, Live Animals

(1) The Goods stowed in poop, forecabin, deckhouse, shelter deck, passenger space or any other covered space shall be deemed to be stowed under deck for all purposes including general average.

(2) Carrier has the right to carry the Goods in container(s) under deck or on deck. When the Goods are carried on deck, Carrier shall not be required to specially note, mark or stamp any statement of "on deck stowage" on the face hereof, any custom to the contrary notwithstanding, and the Goods so carried shall be deemed to be carried under deck for all purposes including general average and shall be subject to the applicable Hague Rules legislation or Hague-Visby Rules legislation as provided for in Clause 4.B.(1) hereof.

(3) The Goods carried on deck and herein stated to be so carried and live animals, birds, reptiles, fish and plants are accepted solely at the risk of Merchant and Carrier shall not be liable for any accident, disease, mortality, loss of or damage to live animals, birds, reptiles, fish and plants, whether or not caused by the act or negligence of Carrier or by the unseaworthiness of the vessel.

## 11. The Amount of Compensation

(1) When the Carrier is liable for compensation in respect of any loss of or damage to the Goods, it is agreed with the Merchant that such compensation shall be calculated by reference to the value of the Goods at the place and time they are delivered to the Merchant, or at the place and time they should have been delivered. For the purpose of determining the extent of the Carrier's liability for loss of or damage to the Goods, the sound value of the Goods is presumed to be the Merchant's invoice value of the Goods plus freight,

charges and insurance, if paid.

(2) The Carrier shall in no event be or become liable for any loss of or damage, whatsoever and howsoever arising, to the Goods in an amount exceeding the equivalent of 666.67 Units of Account per package or unit or 2 units of Account per kilogram of gross weight of the Goods lost or damaged, whichever is the higher.

(3) Higher compensation may be claimed only when, with the consent of Carrier, the value for the Goods declared by Merchant 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 be substituted for that limit. Any partial loss or damage shall be adjusted pro rata on the basis of such declared value.

(4) The Units of Account mentioned in Paragraph 2 above is the Special Drawing Right (SDR) as defined by the International Monetary Fund. The amounts mentioned in Paragraph 2 above shall be converted into national currency on the basis of the value of that currency on a date to be determined by the law of the court seized of the case.

(5) When the Goods have been packed into a container by or on behalf of the Merchant, and when the number of packages or units packed into the Container is not enumerated on the face hereof, each Container including the entire contents thereof shall be considered as one package for the purpose of application of the Carrier's limitation of liability.

## 12. Liability for Delay

The Carrier is not liable in respect of some of the factors causing the loss or damage or delay to the Goods, he shall only be liable to the extent that those factors for which he is liable have contributed to the loss or damage.

## 13. Defences and Limits for Carrier

The defences and limits of liability provided for in this Bill of Lading shall apply in any action against Carrier for loss of or damage to the Goods and for Carriers liability for delay whether the action be founded in contract or in tort or otherwise.

## 14. Sub-Contracting

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

(2) Merchant undertakes that no claim or allegation shall be made against any servant, agent or sub-contractor of Carrier which imposes or attempts to impose upon any of them or any vessel owned by any of them any liability whatsoever in connection with the Goods. If any such claim or allegation should nevertheless be made, Merchant shall indemnify Carrier against all consequences thereof. Without prejudice to the foregoing, every such servant, agent and sub-contractor shall have the benefit of all provisions herein for the benefit of Carrier 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 his own behalf, but also as agent and trustee for such servant, agents and sub-contractors.

(3) Subject to the provisions of Clause 13, the aggregate of the amounts recoverable from Carrier and his servants, agents or sub-contractors shall in no case exceed the limits provided for in this Bill of Lading.

## 15. Method and Route of Transportation

Carrier reserves to himself reasonable liberty as to the means, route and procedure to be followed in the handling, stowage and transportation of the Goods.

## 16. Matters affecting Performance

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

## 17. Delivery

If delivery of the Goods or any part thereof is not taken by Merchant at the time and place when and where Carrier is entitled to call upon Merchant to take delivery thereof, Carrier shall be entitled to store the Goods or the part thereof at the sole risk of Merchant, whereupon the liability of Carrier in respect of the Goods or that part thereof stored as aforesaid (as the case may be) shall wholly cease and the cost of such storage (if paid by or payable by Carrier or any agent or sub-contractor of Carrier) shall forthwith upon demand be paid by Merchant to Carrier.

## 18. Freight and Charges

(1) Freight and charges shall be paid in full and in cash and, whether prepayable or payable at destination, shall be deemed as fully earned on receipt of the Goods by Carrier and not be returned or relinquished in any event.

(2) The freight has been calculated on the basis of particulars furnished by or on behalf of Merchant. Carrier may at any time open any container(s) or other package(s) or unit(s) in order to reweigh, remeasure or re-value the contents at the risk and expense of Merchant, and 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 figure and the freight charged or to double the correct freight less the freight charged, whichever sum is smaller, shall be payable as liquidated damages to Carrier.

(3) Merchant shall be jointly and severally liable to Carrier for the payment of all freight and charges and for the performance of the obligation of each of them hereunder.

(4) Merchant shall comply with all regulations or requirements of customs, port and other authorities, 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 or addressing of the Goods, and indemnify Carrier in respect thereof.

(5) Merchant shall reimburse Carrier in proportion to the amount of freight for any costs for deviation or delay or any other increase of costs of whatever nature caused by war, warlike operations, epidemics, strikes, government directions or force majeure.

## 19. Lien

(1) Carrier shall have a lien on the Goods and any documents relating hereto for all sums payable to Carrier under this contract and for general average contributions to whomsoever due and for the cost of recovering the same, and for that purpose shall have the right to sell the Goods by public auction or private treaty without notice to Merchant. If on sale of the Goods, the proceeds fail to cover the amount due and the cost incurred, Carrier shall be entitled to recover the deficit from Merchant.

(2) If the Goods are unclaimed during a reasonable time, or whenever in Carrier's option, the Goods will become deteriorated, decayed or worthless, Carrier may, at his discretion and subject to his lien and without any responsibility attaching to him, sell, abandon or otherwise dispose of such Goods solely at the risk and expense of Merchant.

## 20. Notice

Unless notice of loss of or damage to the Goods and the general nature of the Goods be given in writing to Carrier or the persons referred to in Clause 3.A.(3) above, at the place of delivery before or at the time of the 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 six consecutive days after removal, such removal shall be prima facie evidence of the delivery by Carrier of the Goods as described in this Bill of Lading.

## 21. Time Bar

In any event Carrier shall be discharged from all liability in respect of goods unless suit is brought within nine months after delivery of the Goods or the date when the Goods should have been delivered.

## 22. General Average

Merchant shall admit that General Average may be declared during the course of or in respect of the carriage of the Goods by sea and shall in such a case undertake to make, for settlement of the General Average, such contribution due from the Goods as is determined in accordance with the York-Antwerp Rules 1974 as amended 1990 or any modification thereof.

## 23. Both to Blame Collision

The Both to Blame Collision clause as published by the Baltic and International Maritime Council is hereby incorporated into this Bill of Lading.

## 24. U.S.A. Local Clause

Goods to or from U.S.A.: In case this Bill of Lading covers the Goods moving to or from the U.S.A. and if it is adjudged that the Carriage of Goods by Sea Act, 1936 of the U.S.A. (U.S. COGSA) governs this Bill of Lading, (1) the provisions of the Carriage of Goods by Sea Act, 1936 of the U.S.A. shall govern before the Goods are loaded on and after they are discharged from the vessel and throughout the entire time the Goods are in the custody of the Carrier, (2) if U.S. COGSA applies, the liability of the Carrier shall not exceed U.S.\$ 500 per package or customary freight unit, unless the nature and value of the Goods have been declared on the face hereof, in which case Clause 11. Shall apply.