

CONTRACT TERMS AND CONDITIONS

Sec. 1. (a) The carrier or the party in possession of any of the property described in this bill of lading shall be liable as at common law for any loss thereof or damage thereto, except as hereinafter provided.

Sec. 1. (b)

1. No carrier or party in possession of all or any portion of the property described in this bill of lading shall be liable for any loss of or damage to the said property or for any delay caused by an Act of God, a public enemy, the authority of law, or the act or default of the shipper or owner. Further, no carrier or party in possession of all or any portion of the said property shall be liable for any natural shrinkage of the property.

2. The carrier shall be liable solely as warehouseman for loss, damage or delay resulting from fire occurring after the expiration of free time (if any) allowed by the mutual agreement of shipper and carrier where such loss, damage, or delay occurs:

(a) after notice of the arrival of the property at the destination (or, if the property is intended for export, after notice of the arrival of said property at the port of export) has been duly sent or given, and

(b) after placement of the property for delivery at destination or tender of delivery of the property to the party entitled to receive it has been made.

3. Except in the case of negligence of the carrier or the party in possession, the carrier or party in possession shall not be liable for country damage to cotton, or for loss, damage or delay which results:

(a) when the property is **stopped and held** in transit upon request of the shipper, owner or party entitled to make such request or

(b) from a defect or vice in the property, or

(c) from riots and strikes.

The burden to prove freedom from such negligence is on the carrier or the party in possession.

4. Except in the case of negligence of the carrier, no carrier or party in possession of all or any of the property described in this bill of lading shall be liable for the delay caused by highway obstructions, by faulty or impassable highway, or by lack of capacity of any highway, bridge or ferry. The burden to prove freedom from such negligence is on the carrier or party in possession.

Sec. 1. (c) In case of quarantine, the property may be discharged at the owner's risk and expense into a quarantine depot or elsewhere required by quarantine regulations or authorities, or for their carrier's dispatch, the property may be discharged at the owner's risk and expense at the nearest available point in the carrier's judgement. The carrier's responsibility shall cease when the property is so discharged, or the property may be returned by the carrier at the owner's expense to the shipping point, earning freight both ways. All quarantine expenses of whatever nature or kind which are incurred with respect to the property shall be **borne** by the owners of the property or shall become a lien on the property. The carrier shall not be liable for loss or damage caused by fumigation, disinfection or other acts required or done by quarantine regulations or authorities even though these acts may have been done by the carrier's officers, agents, or employees. In addition, the carrier shall not be liable for detention, loss or damage of any kind occasioned by the quarantine or the enforcement of the quarantine. No carrier shall be liable except in the case of negligence, for any mistake or inaccuracy in any information furnished by the carrier, its agents or officers, as to quarantine laws or regulations. The shipper shall indemnify the carrier for any expense incurred or damages the carriers may be required to pay as a result of introducing the property covered by contract into any place against the quarantine laws or regulations in effect at such place.

Sec. 2. (a)

1. No carrier is bound to transport said property by any particular schedule, train, vehicle or vessel, or in time for any particular market, or in any manner other than with reasonable dispatch. Every carrier shall have the right, in case of physical necessity, to forward said property by any carrier or route between the point of shipment and the point of destination.

2. In all cases not prohibited by law, where a lower value than the actual value of the said property has been stated in writing by the shipper or has been agreed upon in writing as the released value of the property, such lower value plus freight charges if paid shall be maximum recoverable amount for loss or damage, whether or not such loss or damage occurs from negligence.

Sec. 2. (b) As a condition precedent to recovery, claims must be filed in writing with:

1. The receiving or delivering carrier; or

2. The carrier issuing this bill of lading; or

3. The carrier whose **line** the loss, damage, injury or delay occurred; or

4. The carrier in possession of the property when the loss, damage, injury or delay occurred.

Such claims must be filed within nine months after the delivery of the property (or, in the case of export traffic, within nine months after delivery at the port of export), except that claims for failure to make delivery must be filed within nine months after a reasonable time for delivery has elapsed.

Suits for loss, damage, injury or delay shall be instituted against any carrier no later than two years and one day from the day when written notice is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts of the claim specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, no carrier shall be liable, and such claims will not be paid.

Sec. 2. (c) Any carrier or party liable for loss or damage to any said property shall have the full benefit of any insurance that may have been effected, upon or on account of said property, so far as this shall not avoid the policies or contract of insurance.

PROVIDED, that the carrier receiving the benefit of such insurance will reimburse the claimant for the premium paid on the insurance policy or contract.

Sec. 3. Grain in bulk consigned to a point where there is a railroad, public or licensed elevator, may (unless otherwise expressly noted in this bill of lading and then only if the grain in bulk is not promptly unloaded) be there delivered, and placed with other grain of the same kind and grade without respect to ownership and prompt notice thereof shall be given to the consignor. If the grain in bulk is so delivered, it shall be subject to a lien for elevator charges in addition to all other applicable charges.

Sec. 4. (a) in the event that:

1. Said property is not removed by the party entitled to receive it within the free time (if any) allowed by the agreement and notice of the arrival of the property at the destination (or at the port of export, if intended for export) has been duly sent or given, and placement of the property for delivery at destination has been made, or

2. Property is not received at the time **tender** of delivery of the property to the party entitled to receive it has been made.

Such property may be kept in vessel, vehicle, car, depot, warehouse, or place of business of the carrier, subject to the agreement charge for storage and to the carrier's responsibility solely as warehouseman. Alternatively, at the option of the carrier, such property may be removed to and stored in a public or licensed warehouse at the point of delivery or at another available point, or if no such warehouse is available at the point of delivery or at another available point, then the property may be removed to and stored in another available storage facility, at the owner's cost and held there without liability on the part of the carrier and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage. In the event consignees cannot be found at the address given for delivery, then notice of the placing of such goods in warehouse shall be mailed to the address given on the bill of lading for delivery and to any other address given on the bill of lading for notification, showing the warehouse in which the property has been placed subject to the provisions of this paragraph.

Sec. 4. (b) Where non-perishable property transported to the destination stated in this bill of lading is refused by consignee or the party entitled to receive it upon **tender** of delivery, or said consignee or party entitled to receive the property fails to receive or claim it within 15 days after notice of arrival shall have been duly sent or given, the carrier may sell the property at public auction to the highest bidder, at such place as may be designated by the carrier.

PROVIDED, that the carrier shall have **first** mailed, sent, or given to the consignor notice that the property has been refused or remains unclaimed, as the case may be, and that it will be subject to **sale** under the terms of the bill of lading if disposition is not arranged for, and that after 30 days have elapsed from the time said notice to the consignor was mailed, sent or given, the carrier shall also have published a notice containing a description of the property, the name of the party to whom consigned (or if shipped order notify, the name of the party to be notified), and the time and place of sale, once a week for two consecutive weeks, in a newspaper of general circulation at the place of sale or nearest place where such newspaper is published.

Sec. 4. (c) Where perishable property transported to the destination stated in this bill of lading is refused by consignee or party entitled to receive it, or said consignees or party entitled to receive the property fails to receive it promptly, the carrier may, in its discretion, to prevent deterioration or further deterioration, sell the property to the best advantage at private or public sale: PROVIDED, that if there is sufficient time to notify the consignor or owner or the refusal of the property or the failure to receive it and to request for disposition of the property, such notification shall be given, in such a manner as the exercise of due diligence requires, before the property is sold.

Sec. 4. (d) Where the procedure provided for in Sections 4(b) and 4(c) of this bill of lading is not possible, it is agreed that nothing in those paragraphs shall be construed to abridge the right of the carrier at its option to sell the property under such circumstances and in such manner as may be authorized by law.

Sec. 4. (e) The proceeds of any sale made under this section shall be applied by the carrier, to the payment of freight, demurrage, storage, and any other lawful charges; to the expense of notice, advertisement, sale, and other necessary expense and to the expense of caring for and maintaining the **property, if proper** care of the property requires special expense. Should there be a balance remaining after all charges and expenses are paid, such balance shall be paid to the owner of the property sold hereunder.

Sec. 4. (f) Property destined to or taken from a station, wharf, landing or other place at which there is no regularly appointed freight agent, shall be entirely at risk of owner after being unloaded from cars, vehicles or vessels or until loaded into cars, vehicles or vessels. Further, except in case of carrier's negligence, when property is received from or delivered to such stations, wharfs, landings, or other places, the property shall be at the owner's risk until the cars are attached to and after they are detached from locomotive or train, or until loaded into and after unloaded from vessels, or if property is transported in motor vehicle trailers or semi-trailers, until such trailers or semi-trailers are attached to and after they are detached from power units. Where a carrier is directed to unload or deliver property transported by motor vehicle at particular location where consignees or consignor's agent is not regularly located, the risk after unloading, or delivery, shall be that of the owner.

Sec. 5. No carrier hereunder will carry or be liable in any way for any documents, coin money, or for any articles of extraordinary value unless a special agreement to do so and a stipulated value of the articles are endorsed on this bill of lading.

Sec. 6. Every party, whether principal or agent, who ship explosives or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for and indemnify the carrier against all loss or damage caused by such goods. Such goods may be warehoused at owner's risk and expense or destroyed without compensation.

Sec. 7. The owner or consignee shall pay the freight and average, if any, **and** all other lawful charges accruing on said property, except in those instances where it may lawfully be authorized to do so, no carrier shall deliver or relinquish possession at destination of the property covered by this bill of lading until charges thereon have been paid. The consignor shall be liable for the freight and all other lawful charges, except that if the consignor stipulates, by signature, in the space provided for that purpose on the face of this bill of lading that the carrier shall not make delivery without requiring payment of such charges and the carrier, contrary to such stipulation shall make delivery without requiring such payment the consignor (except as hereinafter provided) shall not be liable for such charges. PROVIDED, that, a consignee shall not be liable for transportation charges (beyond those billed against him at the time of delivery for which he is otherwise liable) which may be found to be due after the property has been delivered to him subject to all of the following conditions:

(a) The shipper or consignor has instructed the carrier to deliver the property to a consignee other than the shipper consignor,

(b) The consignee is an agent only and has no beneficial title in the property and

(c) Prior to delivery the consignee has notified the delivering carrier in writing that he is only an agent and has no beneficial title to the property (provided that this requirement does not apply if the consignee is a for-hire carrier), and

(d) In cases where the shipment has been reconsigned or diverted to a point other than that specified in the bill of lading consignee has also notified the delivering carrier in writing of the name and address of the beneficial owner of said property.

Where the consignee is not liable for certain transportation charges in accordance with this provision and the preceding conditions, the shipper or consignor, or, in the case of a shipment so reconsigned or diverted as specified in condition (d), the beneficial owner shall be liable for such additional charges.

PROVIDED FURTHER, that where the shipment is designated 'prepaid', the shipper or consignor shall remain liable for undercharges which result from an erroneous determination of the transportation charge assessed.

If the consignee has given to the carrier erroneous information as to who the beneficial owner is, such consignee shall himself be liable for such additional charges. Nothing herein shall limit the right of the carrier to require at time of shipment the prepayment or guarantee of the charges. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 8. If this bill of lading is issued on the order of the shipper, or his agent, in exchange or in substitution for another bill of adding, the shipper's signature on the prior bill of lading or in connection with the prior bill of lading as to the statement of value or otherwise, or as to the election of common law or bill of lading liability shall be considered a part of this bill of lading as fully as if the same were written on or made in connection with this bill of lading.

Sec. 9. (a) If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to all the terms and provisions of, and all the exemptions from liability contained in the Act approved by the United States Congress on February 13, 1893 and entitled 'An Act relating to the navigation of vessels, etc.' and in other United States Statutes according carriers by water the protection of limited liability. Such water carriage shall also be performed subject to the conditions contained in this bill of lading which are not inconsistent with the said Act of Congress and United States Statutes or with this section.

Sec. 9. (b) No such carrier by water shall be liable for any loss or damage resulting from any fire happening to or on board the vessel, or from explosion, bursting of boilers or breakage of shafts, unless caused by the design or neglect of such carrier.

Sec. 9. (c) If the owner shall have exercised due diligence in making the vessel in all respects seaworthy and properly manned, equipped and supplied, no such carrier shall be liable for any loss or damage resulting from the perils of the lakes, seas, or in other waters or from **latent** defects in the hull, machinery, or appurtenances whether existing prior to, at the time of, or after **sailing** or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And, when for any reason it is necessary, any vessel carrying any or all of the property described in this bill of lading shall be at liberty to call at any port or ports, in or out of the customary route, to tow and be towed, to transfer, trans-ship, or lighter, to load and discharge goods at any time, to assist vessels in distress, to deviate for the purpose of saving life or property, and for docking and repairs. Except in the case of negligence, such carrier shall not be responsible for any loss or damage to property if it is necessary or is usual to carry the property upon deck.

Sec. 9. (d) General Average shall be payable according to the York-Antwerp Rules of 1924. Sections 1 to 15, inclusive, and Sections 17 to 22, inclusive, and as the matters not covered in the said rules, according to the laws and usages of the Port of New York if the owners shall have exercised due diligence to make the vessel in all respects seaworthy and properly manned, equipped and supplied. It is hereby agreed that in case of danger, damage or disaster resulting from faults or errors in navigation, from the management of the vessel, or from any **latent** or other defects in the vessel, the machinery or appurtenances (provided the latent or other defects were not discoverable by the exercise of due diligence); or from unseaworthiness, whether existing at the time of shipment or at the beginning of the voyage (provided the unseaworthiness was not discoverable by the exercise of due diligence) the shippers, consignees and/or owners of the cargo shall nevertheless pay salvage and any special charges incurred in respect of the cargo, and shall contribute with the shipowners in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred for the common benefit or to **relieve** the adventure from any common peril.

Sec. 9. (e) If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea then as to such carrier or carriers the provisions of this section shall be modified in accordance with the tariff provisions and the tariff provisions shall be regarded incorporated into the conditions of this bill of lading.

Sec. 9. (f) The term water carriage in this section shall not be construed as including lighterage in or across rivers, harbors or lakes, when performed by or on behalf of carriers other than water carriers.

Sec. 10. Any **alteration**, addition or erasure in this bill of lading which is made without the special notation hereon of the agent of the carrier issuing this bill of lading shall be without effect, and this bill of lading shall be enforceable according to its original **tenor**.