

1. Definitions

"Carrier" means the party on whose behalf this Bill of Lading has been signed.
"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 includes any container not supplied by the Carrier.

2. Negotiability

(1) This Bill of Lading shall be deemed to be negotiable, unless marked "non-negotiable".
(2) By accepting this Bill of Lading, the Merchant and its transferees agree with the Carrier that, unless it is marked "non-negotiable", it shall be deemed to constitute the 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.

3. Applicability

Notwithstanding the heading "Combined Transport Bill of Lading", the provisions set out and referred to in this Bill of Lading shall also apply when the transport is performed by one mode of transport.

4. Law and Arbitration

The contract evidenced by or contained in this Bill of Lading shall be governed by Japanese law. Any dispute arising from this Bill of Lading shall be referred to arbitration in Tokyo by Tokyo Maritime Arbitration Commission (TOMAC) of The Japan Shipping Exchange, Inc. in accordance with the Rules of TOMAC and any amendments thereto, and the award given by the arbitrators shall be final and binding on both parties.

5. Method and Route of Transportation

(1) The Carrier reserves to himself a reasonable liberty as to the means, route and procedure to be followed in the handling, storage and transportation of the Goods.

(2) The Goods may be stowed by the Carrier in containers or similar articles of transport used to consolidate goods.

6. Hindrances, etc. Affecting Performance

If at any time the performance of the contract as evidenced by this Bill of Lading is or is likely to be affected by any hindrance, risk, delay, difficulty or disadvantage of whatsoever kind, the Carrier (whether or not the transport is commenced) may elect

- to treat the performance of this contract as terminated and place the Goods at the Merchant's disposal at any place which the Carrier deems safe and convenient, whereupon the responsibility of the Carrier in respect of such Goods shall cease; or
- to deliver the Goods at the place designated for delivery.
In any event the Carrier shall be entitled to full freight and charges on the Goods received for transportation, and the Merchant shall pay any additional costs of carriage to and delivery and storage at such place as above mentioned.

7. Defences and Limits for Carrier, Servants, etc.

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

(2) If an action is brought against a servant or agent of the Carrier, such person shall be entitled to avail himself of the defences and limits of liability which the Carrier is entitled to invoke under this Bill of Lading.

(3) The aggregate of the amounts recoverable from the Carrier and his servants or agents shall in no case exceed the limits provided for in this Bill of Lading.

8. Liability for Loss or Damage

(1)(i) The Carrier shall be liable for loss of or damage to the Goods occurring between the place of receipt and the place of delivery, unless such loss or damage was caused by:

- an act or omission of the Merchant or person other than the Carrier acting on behalf of the Merchant or from whom the Carrier took the Goods in charge; or
 - compliance with the instructions of the person entitled to give them; or
 - the lack of or insufficiency of or defective condition of packing; or
 - handling, loading, stowage or unloading of the Goods done by or on behalf of the Merchant, or
 - inherent vice or nature of the Goods; or
 - insufficiency or inadequacy of marks or numbers on the Goods, coverings or containers; or
 - strikes or lockouts or stoppage or restraint of labour from whatever cause, whether partial or general; or
 - any cause or event which the Carrier could not avoid and the consequence whereof he could not prevent by the exercise of reasonable diligence.
- (ii) When the Carrier establishes that in the circumstances of the case, the causes or events specified in (c) to (g) of the preceding sub-paragraph could attribute to the loss or damage, it shall be presumed that it was so caused. The Merchant shall, however, be entitled to prove that the loss or damage was not, in fact, caused either wholly or partly by such causes or events.

(iii) When the Carrier is liable under this paragraph, compensation by the Carrier shall not exceed US\$2 per kilo of gross weight of the Goods lost or damaged, provided that higher compensation may be claimed if the value for the Goods has been declared by the Merchant and has been stated in this Bill of Lading.

(2) Notwithstanding anything provided for in the preceding paragraph:

- if it is proved that loss of or damage to the Goods occurred during transport by sea or inland waterways, the liability of the Carrier for such loss or damage shall be determined by the provisions of the International Carriage of Goods by Sea Act of Japan, 1957, as amended 3 June, 1992 (Hague-Visby Rules Legislation); or
- if it is proved that loss of or damage to the Goods occurred during transport by air, the liability of the Carrier for such loss or damage shall be determined by 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, September 25th, 1955, additional Protocol No.4, September 25th, 1975, and the Convention of Montreal, May 28th 1999, whichever mandatory applicable; or
- if it is proved that loss of or damage to the Goods occurred during any particular stage of transport other than by sea, inland waterways or air, the liability of the Carrier for such loss or damage shall be determined by the provisions of the law, if any, which would be mandatorily applicable if a contract for such particular stage of transport had been made under the laws of the country where such loss or damage occurred, and if there are no such provisions of the law as above mentioned, paragraph (1) of this clause shall apply.

(3) When the Carrier is liable under this Clause, compensation by the Carrier shall be calculated by reference to the Merchant's net invoice value of the Goods plus freight and insurance premium if paid, unless the value for the Goods has been declared by the Merchant and has been stated in this Bill of Lading.

9. Delay, Consequential Loss

In no event shall the Carrier be liable for delay in delivery, any loss of profit or consequential loss or damage. Arrival times are not guaranteed by the Carrier.

10. Notice of Loss and Time Bar

(1) Unless notice of loss of or damage to the Goods, indicating the general nature of such loss or damage, shall be given in writing to the Carrier or to his representative at the place of delivery before or at 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 is not apparent, within seven 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.

(2) In any event the Carrier shall be discharged from all liability in respect of loss or damage unless arbitration is filed pursuant to Clause 4 within nine months after delivery of the Goods or the date when the Goods should have been delivered.

11. Delivery

(1) If delivery of the Goods is not taken by the Merchant within a reasonable time after the Carrier has called upon the Merchant to take delivery thereof, the Carrier shall be at liberty to store the Goods, whereupon the liability of the Carrier in respect of the Goods shall wholly cease and the costs of such storage shall forthwith upon demand be paid by the Merchant to the Carrier.

(2) If the Goods are unclaimed during a reasonable time or whenever, in the Carrier's option, the Goods will become deteriorated, decayed or worthless, the 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 the Merchant.

12. Failure of Delivery

Failure to effect delivery within 90 days after the time it would be reasonable to allow for completion of the combined transport operation shall give to the party entitled to receive delivery, the right to treat the Goods as lost.

13. Description of Goods

(1) This Bill of Lading shall be prima facie evidence of the receipt by the Carrier of the total number of containers or other packages or units enumerated overleaf. Proof to the contrary shall not be admissible when this Bill of Lading has been transferred to a third party acting in good faith.

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

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

(4) The shipper shall indemnify the Carrier against all loss, damage or expenses arising or resulting from inaccuracies in or inadequacy of such particulars.

14. Merchant-packed Containers

(1) If a container has not been filled, packed or stowed by the Carrier, the Carrier shall not be liable for any loss of or damage to its contents and the Merchant shall indemnify the Carrier against any loss, damage, injury or expense, if such loss, damage, injury or expense has been caused by:

- the manner in which the container has been filled, packed, closed or sealed; or
- the contents being unsuitable for carriage in container; or
- the unsuitability or defective condition of the container unless the container has been supplied by the Carrier and the unsuitability or defective condition would not have been apparent upon reasonable inspection at or before the time when the container was filled, packed or stowed.

(2) If the container is delivered by the Carrier with seals intact, such delivery shall be deemed to be full and complete performance of the Carrier's Obligations hereunder and the Carrier shall not be liable for any loss of or damage to the contents of the container.

(3) The Carrier has the right to inspect the Goods or package at any time and anywhere without the Merchant's agreement.

(4) The provisions of paragraphs (1) through (3) of this Clause also apply with respect to trailers, transportable tanks, flats and pallets which have been filled, packed or stowed by the Merchant.

15. Deck Cargo

(1) The Carrier is entitled to carry the Goods in containers under or on deck of the vessel.

(2) When the Goods are carried on deck, the Carrier shall not be required specially to note, mark or stamp any statement of "on deck stowage" on the face hereof. The Goods so carried shall be subject to the International Carriage of Goods by Sea Act of Japan, 1957, as amended 3 June, 1992 and shall be deemed to be carried under deck for all purposes including general average.

(3) The Carrier shall not be liable in any capacity whatsoever for any delay or loss of or damage to the Goods which are carried on deck and specially stated herein to be so carried, whether or not caused by the Carrier's negligence or the vessel's unseaworthiness.

16. Livestock and Plants

Livestock and plants are carried without responsibility on the part of the Carrier for any accident, injury, illness, death, loss or damage arising at any time whether caused by negligence or any other cause whatsoever.

17. Dangerous Goods, Contraband

(1) The Merchant shall comply with rules which are mandatory according to the national law or by reason of international Convention, relating to the carriage of goods of dangerous nature, and shall in any case before such Goods are taken in charge by the Carrier inform the Carrier in writing of the name, label and classification of such Goods as well as the exact nature of the danger and indicate to him the precautions to be taken.

(2) If the Merchant fails to provide such information and at any time, the Goods are deemed to be a hazard to life or property, such Goods may at any place be thrown overboard, unloaded, destroyed or rendered harmless, as circumstances may require, without compensation, and the Merchant shall be liable for all loss, damage, delay or expenses arising out of their being taken in charge or their carriage, or of any service incidental thereto.

(3) If the Goods shipped with the knowledge of the Carrier as to their dangerous nature are deemed to be a hazard to life or property, they may in like manner be thrown overboard, landed at any place, destroyed or rendered innocuous by the Carrier without liability on the part of the Carrier except as to general average, if any.

(4) Whenever the Goods are found to be contraband or prohibited by any laws or regulations of the port of loading, discharge or call or any place or waters during the carriage the Carrier shall be entitled to have such Goods thrown overboard, discharged or otherwise disposed of at the Carrier's discretion without compensation and the Merchant shall be liable for and indemnify the Carrier against loss of any kind, and any expenses arising out of such shipment.

18. Refrigerated Goods

(1) The Merchant undertakes not to tender for transportation the Goods which require refrigeration without previously giving written notice of their nature and particular temperature range to be maintained and in the case of refrigerated container packed by the Merchant further undertakes that the Goods have been properly stowed in the container and that its thermostatic controls have been adequately set by him before receipt of the Goods by the Carrier.
If the above requirements are not complied with, the Carrier shall not be liable for any loss of or damage to the Goods howsoever arising.

(2) The Carrier shall not be liable for any loss of or damage to the Goods arising from latent defects, derangement, breakdown, stoppage of the refrigerating machinery, plant, insulation and/or any apparatus of the container, vessel, conveyance and any other facilities, provided that the Carrier shall before or at the beginning of the transport have exercised due diligence to maintain such equipment in an efficient state.

19. Valuable Goods

The Carrier shall not be liable for any loss of or damage to or in connection with platinum, gold, silver, jewellery, precious stones, precious metals, radioisotopes, precious chemicals, bullion, specie, currency, negotiable instruments, securities, writings, documents, pictures, embroideries, works of art, curios, heirlooms, collections of every nature or any other valuable goods whatsoever including goods having particular value only for the Merchant, unless the true nature and value of the Goods have been declared in writing by the Merchant before receipt of the Goods by the Carrier, and the same is inserted in this Bill of Lading and ad valorem freight has been prepaid thereon.

20. Heavy Lift

(1) The weight of a single piece or package exceeding 1 metric ton gross must be declared by the Merchant in writing before receipt by the Carrier.

(2) In case of the Merchant's failure in the above declaration, the Carrier shall not be responsible for any loss of or damage to or in connection with the Goods, and at the same time the Merchant shall be liable for loss of or damage to any property or for personal injury arising as a result of the Merchant's said failure and shall indemnify the Carrier against loss or liability of any kind suffered or incurred by the Carrier as a result of such failure.

21. Freight and Charges

(1) Freight and charges shall be deemed fully earned on receipt of the Goods by the Carrier and shall be paid in any event, whether the vessel and/or the Goods be lost or not, or the transport be broken up or frustrated or abandoned at any stage of the entire transit.

(2) For the purpose of verifying the freight basis, the Carrier may at any time open any container or other package or unit in order to ascertain the weight, measurement or value of the Goods. If the particulars furnished by the 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 correct freight less the freight charged, whichever sum is the smaller, shall be payable as liquidated damages to the Carrier.

(3) The Merchant shall pay all dues, taxes and charges including consular fees levied on the Goods and an fines and/or losses sustained or incurred by the Carrier in connection with laws and regulations of any government or public authorities in connection with the Goods.

(4) The shipper, consignor, consignee, owner and receiver of the Goods and holder of this Bill of Lading shall be jointly and severally liable to the Carrier for the payment of all freight and charges and for the performance of the obligation of each of them hereunder.

22. Lien

The Carrier shall have a lien on the Goods for any amount due under this Bill of Lading and for general average contributions to whomsoever due and for the cost of recovering the same, and may enforce such lien in any reasonable manner.

23. General Average

The 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, 1994 and any modifications thereof.