

**TERMS & CONDITIONS  
OF  
BILL OF LADING  
Hanjin Shipping, Co., Ltd.**

**C O N T E N T S**

- 1. DEFINITION**
- 2. CLAUSE PARAMOUNT**
- 3. LITIGATION AND CLAIM**
- 4. RESPONSIBILITY**
- 5. TARIFF**
- 6. SUB-CONTRACTION AND ADDITIONAL INSTRUCTIONS**
- 7. LIBERTIES**
- 8. CONTAINERS**
- 9. FREIGHT**
- 10. MERCHANT'S RESPONSIBILITY**
- 11. LIEN**
- 12. DANGEROUS GOODS, CONTRABAND**

**13. DELIVERY**

**14. NOTICE OF CLAIM AND TIME FOR SUIT**

**15. DAMAGES**

**16. LIMITATION OF DAMAGES**

**17. GENERAL AVERAGE AND SPECIAL CHARGES**

**18. DEVIATION**

**19. SEVERABILITY OF TERMS**

**<Front Side Terms & Conditions>**

**RECEIVED** by the Carrier from the Shipper in apparent good order and condition unless otherwise indicated herein, the Goods, or the container(s) or package(s) said to contain the cargo herein mentioned, to be carried subject to all the terms and conditions provided for on the face and back of this Bill of Lading by the Vessel named herein or any substitute at the Carrier's option and/or other means of transport, from the place of receipt or the port of loading to the port of discharge or the place of delivery shown herein and there to be delivered to Consignee or on-carrier on payment of all charges due thereon.

IF REQUIRED by the Carrier, this Bill of Lading duly endorsed must be surrendered in exchange for the Goods or delivery order. None of

the terms of this Bill of Lading can be waived by or for the Carrier except by written waiver signed by a duly authorized agent of the Carrier.

IN ACCEPTING THIS BILL OF LADING the Merchant agrees to be bound by all the stipulations, exceptions, terms and conditions on the face and back hereof, whether written, typed, stamped or printed, as fully as if signed by the Merchant any local customs or privilege to the contrary notwithstanding.

IN WITNESS WHEREOF, the undersigned, on behalf of Hanjin Shipping Co., Ltd., the master and the owner of the Vessel has signed the number of Bill(s) of Lading stated above all of the same tenor and date, one of which being accomplished, the others to stand void.

## **<Reverse Side Terms & Conditions>**

### **1. DEFINITIONS**

When used in this Bill of Lading

- (a) "Bill of Lading" means this contract of carriage for the Goods made between Carrier and Merchant, effective for all modes of transport from place of receipt to place of delivery.
- (b) "Carrier" means Hanjin Shipping Co., Ltd., its vessel, agents

and subcontractors at all stages of carriage; in context of Intermodal Transportation, "Ocean Carrier" means Hanjin Shipping Co., Ltd., the Vessel, her owner, operator and charterers and the agents and subcontractors of each; "Inland Carrier" means any barge line vessel, trucker or railroad with custody of the Goods under this Bill of Lading, and agents and subcontractors of each.

(c) "Goods" means the cargo as described on the face of this Bill of Lading and trailers, containers and transportable tanks when delivered to the Carrier by the Merchant containing the cargo.

(d) "Intermodal Transportation" means carriage of the Goods under this Bill of Lading by the Ocean Carrier and one or more Inland Carriers for a single freight charge to the Merchant.

(e) "Laden on board" means physically laden on board the first means of transport operated in the service of the Carrier.

(f) "Merchant" means any actual or previous holder of this Bill of Lading, and shall include shipper, consignor, consignee, owner and receiver of the Goods, and their agents.

(g) "Package" means the single largest unit of Goods(e.g, container, pallet, box, bale) delivered by Merchant to Carrier for carriage pursuant to the terms of this Bill of Lading.

(h) "Particulars" is that description of the Goods provided by the Merchant to the Carrier, and shall include all manner of description, marks, numbers, weight, measure, nature and value of the items constituting the Goods.

(i) "Subcontractor" identifies all interests engaged in owning, operating or chartering the vessel, lighterers, feeder line,

stevedores, terminal operators, warehousemen, truckers, railroads, and the agents of each of them, and all other persons or legal entities performing services pursuant to contract with Ocean or Inland Carriers with respect to the Goods.

(j) "Vessel" means the vessel named in this Bill of Lading, and includes all assisting or substitute vessels, lighters or other conveyances.

N.B. The plural shall include the singular, and the singular shall include the plural throughout this Bill of Lading: the headings are for information purposes only. Any mention in this Bill of Lading of parties to be notified of the arrival of the Goods is solely for information, and failure to give such notification shall not involve the Carrier in any liability nor relieve the Merchant of any obligation.

## **2. CLAUSE PARAMOUNT**

(a) This Bill of Lading shall have effect subject to the International Convention for the Unification of Certain Rules relating to Bills of Lading, dated at Brussels 25 August 1924 (The **Hague Rules**) as enacted in the country of shipment, unless the protocol, dated Brussels 23 February 1968 (The **Hague-Visby Rules**) or the United States Carriage of Goods by Sea Act, 1936 (**U.S. COGSA**, 46 U.S.C. Appendix 1300-1315) apply compulsorily.

(b) When no such enactments are in force in the country of shipment, the corresponding Hague Rules, Hague-Visby Rules or

U.S. COGSA legislation (Hague/Visby/COGSA legislation) of the country of destination shall apply, but in respect of shipments to which **no such enactments are compulsorily applicable, the terms of the Hague Rules shall apply.**

(c) The applicable Hague/Visby/COGSA legislation shall govern throughout the time when the Goods are in the actual or constructive custody of the Carrier. The Carrier takes all reservation possible under the Hague/Visby/COGSA legislation relating to the period **before loading and after discharging** and while the Goods are in the charge of another Carrier, and to **deck cargo and live animals.**

### **3. LITIGATION AND CLAIM**

(a) Disputes arising under the Bill of Lading shall be determined at the option of the Merchant by the courts and in accordance with the law (including choice of law) at

(i) **the Carrier's principal place of business**, (being Seoul, Korea, except for actions under U.S. COGSA, where the Carrier's principal place of business shall be New York, New York); or

(ii) **the place of receipt of the Goods by the Carrier, or the port of discharge.**

(b) No proceedings may be brought before other tribunals by the Merchant unless Merchant and Carrier shall have agreed in advance in writing in both the choice of another tribunal and the law to be applied. Carrier may sue Merchant wherever Merchant or

Goods are found.

(c) Suit shall not be deemed brought against the Carrier until jurisdiction shall have been obtained of the Carrier by service of summons.

(d) Claims for loss of or damage to the Goods may be filed at the offices of the Carrier or their agent at the port of discharge; claims must be filed and suits commenced within the applicable Hague/Visby/COGSA periods, unless the Merchant claims these rules are inapplicable and loss or damage occurred in the custody of the Inland Carrier, when claims must be filed, and suits commenced, within the time limits provided by law or tariff applicable to the Inland Carrier.

(e) Nothing in this Bill of Lading, expressed or implied, shall operate to limit or deprive the Carrier of any statutory protection or exemption or limitation of liability authorized by any applicable laws, statutes or regulations whether the action is founded **in contract, in tort, or otherwise.**

#### **4. RESPONSIBILITY**

(a) The Carrier shall be responsible for and shall enjoy **the immunities and limitation** against loss or damage pursuant to the applicable Hague/Visby/COGSA legislation **for all periods when the Goods are in the actual or constructive custody of the Carrier.**

(b) **Where it is forbidden by law to extend Hague/Visby/COGSA**

legislation to the inland part of the Intermodal Transportation contract, the **Carrier shall not be responsible** for loss or damage to the Goods **while the Goods are in the custody of the Inland Carrier** in excess of the scope for which the Inland Carrier would have assumed the responsibility subject to its tariff.

(c) If, despite the terms herein, no legal regime clearly applies to the period of inland carriage, the Carrier and Inland Carrier shall not, in any circumstances, be liable for that part of any claim for damages caused by **acts of God, acts or restraint of authority, inherent vice of the Goods, wrongful act or neglect of the Merchant, strike or stoppage of labor of any kind or extent, insufficient or defective packaging or marking or numbering of the Goods or Packages, or any cause, event or consequence which the Carrier could not avoid or prevent by reasonable diligence; nor for any other cause excluded by tariff.**

(d) In context of **Intermodal Transportation**, where the Merchant or Carrier cannot establish in whose custody loss or damage occurred to Goods delivered to the Carrier in actual good condition, **it shall be deemed**, as between the Merchant and any Carrier, that **the loss or damage occurred onboard the Vessel** while in the custody of the Ocean Carrier.

(e) The Carrier shall not be responsible for loss of or damage to the Goods occurring before receipt of the Goods by the Carrier at the place of receipt or after delivery by the Carrier at the place of delivery.

(f) Where damage is alleged to the contents of any Package

delivered by the Carrier without notation for external damage, it shall in all circumstances be a prerequisite to Carrier's liability that the Merchant shall first demonstrate its delivery of the contents of the Package in actual good condition at the Carrier's place of receipt.

(g) The Carrier shall not be responsible for any loss of or damage to live animals arising or resulting from any cause whatsoever.

(h) In respect of **Goods carried on deck and identified on this Bill of Lading** to be so carried, **all risks of loss or damage** from perils inherent in or incident to the custody or carriage of such Goods on deck **shall be borne exclusively by the Merchant** without recourse to the Carrier.

## 5. TARIFF

Where a public tariff has been filed by Carrier, Ocean Carrier or Inland Carrier governing all or part of the period of carriage, the terms of this Bill of Lading may, to some extent, be modified by the terms of that tariff and by documents referenced therein, such as uniform inland Bills of Lading. To the extent of any actual inconsistency between tariff and this Bill of Lading, the terms of this Bill of Lading shall control to the fullest extent permitted by law.

## 6. SUB-CONTRACTION AND ADDITIONAL INSTRUCTIONS

(a) The Carrier shall be entitled to sub-contract on any terms the

whole or any part of the handling, storage or carriage of the Goods and any and all duties whatsoever undertaken by the Carrier in relation to the Goods. **Every servant, agent and sub-contractor** (including all interests engaged in the owning or chartering of the Vessel, stevedores, warehousemen, and other independent contractors) **and the agents of each shall have the benefit of all provisions herein** for the benefit of the Carrier as if the provisions were expressly for their benefit; and in entering into this contract of carriage, the Carrier does so not only on his own behalf but also as agent for all such servants, agents and sub-contractors to the fullest extent permitted by the law applicable to Himalaya Clauses.

(b) **Where the Carrier arranges alternative inland transportation as agent for the Merchant**, the Merchant's rights and liabilities shall be governed by the law or contract applicable to the inland carriage, **without further liability of the Carrier** as a carrier.

## 7. LIBERTIES

(a) The Carrier shall make commercially reasonable efforts to carry the Goods expeditiously to the place of delivery, but the Carrier does not warrant any specific route, vessel, method of transport or delivery date, and shall have liberty to perform the carriage in any commercially reasonable manner and by any reasonable means, methods and routes including the right to transship Goods using other Carriers, conveyances or containers. The Carrier shall always

have liberty to comply with directions, howsoever given, of any government national or local authority.

(b) At any stage in the carriage, the Goods may, at the Carrier's absolute discretion, be carried as a single shipment or as several shipments on any means of transport, whether owned or operated by the Carrier or not.

(c) The Carrier shall make commercially reasonable efforts to complete the carriage and to deliver the Goods at the place designated for delivery, but does not guarantee such delivery and shall be excused from all consequences of nondelivery at such place, (and shall remain entitled to full freight and charges and his lien,) if such delivery is commercially unfeasible, or would delay or imperil the interests of the Carrier or the Goods, the Goods of others or the general enterprise.

(d) In particular, the Carrier is excused from full performance of the contract of carriage by the existence or apprehension of war, declared or undeclared, hostilities, warlike or belligerent acts or operations, riots, civil commotions, boycotts or other disturbances; epidemics or diseases, quarantine, sanitary or similar regulations or restrictions; shortage, absence or obstacles of labor or facilities for loading, discharge, delivery or handling of the Goods; strikes, lockouts or other labor troubles, whether partial or general, and whether or not involving employees of the Carrier, his agents or sub-contractors; congestion of ports, berths, freight stations or terminals; closure of, obstacle in or danger to any canal, waterway, land route or railroad; ice, landslide, earthquake or other natural

effects creating obstacles to carriage. This list is descriptive and not exhaustive, and the existence of any of these similar conditions prior to receipt of the Goods shall not constitute waiver of the Carrier's rights.

(e) If the Goods are unclaimed during a reasonable time or whenever, in the Carrier's opinion, the Goods will deteriorate, decay or diminish in value, the Carrier may sell, abandon or otherwise dispose of such Goods at the risk and expense of the Merchant and Goods.

(f) If, in the Carrier's option, good cause exists to fear danger, injury, loss, delay, disadvantage to the Carrier, the Goods, the Goods of others or to the general enterprise, the Carrier shall be entitled to dispose of the Goods in such way as the Carrier may deem advisable, or to cancel the contract of carriage without compensation and to require the Merchant to take prompt delivery of the Goods. Such Actions by the Carrier shall constitute complete and final delivery and full performance of this contract, and the Carrier shall thereafter be free from any responsibility for the Goods.

(g) Any action taken by the Carrier pursuant to this clause for the intended benefit of the Vessel, the Goods, the Goods of others or the general enterprise shall fall within the contractual carriage, and such action or delay resulting therefrom shall not constitute a deviation at law, and the Carrier shall be entitled to the full benefit of all privileges, rights and immunities contained in the Bill of Lading.

## 8. CONTAINERS

(a) On any Vessel or other mode of transportation designed to carry containers, the Carrier has the right to carry **Goods in containers** in any area designed for such carriage. **Such carriage of the Goods shall constitute "under deck" stowage** for all purposes, including Hague/Visby/COGSA regulations and General Average.

(b) Where the Goods are already packed into containers at the time of receipt, the Carrier shall be at liberty to pack and carry them in any type of container.

(c) The Merchant shall indemnify the Carrier against any loss of or damage to the Carrier's container or other equipment while in the possession or control of the Merchant, his agents or sub-contractors engaged by or on behalf of the Merchant.

(d) The Carrier shall in no event be liable for and the Merchant shall indemnify and hold the Carrier harmless from and against any loss of or damage to property of other persons or injuries to other persons caused by the Carrier's container or the contents thereof during handling by, or while in the possession or control of, the Merchant, his agents or sub-contractors.

(e) If the Carrier's container is delivered sealed by the Merchant to the Carrier, this Bill of Lading is evidence of the receipt only of the number of containers shown on the Bill of Lading, and **the condition and any particulars of the contents are unknown to the Carrier**; and the **Merchant warrants that the containers and contents thereof are suitable for handling and carriage**. In the event of breach of this warranty, the **Carrier shall not be**

**responsible** for any loss of or damage to or in connection with the Goods and the **Merchant shall be liable** for loss of or damage to any other property, or for personal injury or the consequences of any other accidents or events whatsoever. If such containers are delivered by the Carrier with seals intact, such delivery shall be 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 containers.

(f) The Carrier does not undertake to carry the Goods in refrigerated, heated, insulated, ventilated or any other special containers, unless special arrangements for the carriage of such containers have been agreed to in writing between the Carrier and the Merchant and special freight has been paid. The Carrier does not accept responsibility for the function of special containers supplied by or on behalf of the Merchant. The Carrier does not guarantee the maintenance of any temperature inside any container.

## **9. FREIGHT**

(a) Freight shall be payable at any lawful rate agreed with the Merchant, and will be calculated on the basis of the Particulars furnished by the Merchant; but the Carrier may at any time open, examine, weigh, measure and value the Goods and Packages to determine the accuracy of the Merchant's Particulars. If it is determined by the Carrier that the freight or charges should be

higher, the Carrier may collect the additional amount from the Merchant who shall also be liable for all expenses associated with recalculation of freight or charges.

(b) **Full freight and all advance charges shall be considered completely earned on receipt of the Goods by the Carrier**, whether the Vessel or the Goods be damaged, lost or not lost, or the journey frustrated or abandoned. All freight and charges shall be paid in full without any offset, counterclaim or deduction, and shall be paid in the currency named in this Bill of Lading.

(c) Each Merchant shall be severally liable to the Carrier for the payment of all freight, charges and other amounts due the Carrier.

## **10. MERCHANT'S RESPONSIBILITY**

(a) Each Merchant shall be responsible for any failure to perform any Merchant's obligations under any of the terms of this Bill of Lading; and each shall indemnify the Carrier against and hold it harmless upon written demand from all liability, loss, damages and expense which the Carrier may sustain or incur arising or resulting from any such failure of performance by the Merchant or any of them. The responsibility of each Merchant shall not be diminished by the existence of any lien claim on the Goods.

(b) Any reference on the face of the Bill of Lading to any particulars of the Goods is furnished by the Merchant, and the Carrier shall not be responsible for the accuracy thereof. The Merchant warrants to the Carrier that the particulars furnished by him are correct.

(c) Each Merchant warrants that equipment, whether owned or leased by the Carrier, would be returned to the Carrier within a reasonable time stipulated in the applicable tariff and further promises and agrees to pay equipment detention charges stipulated in the applicable tariff including the costs and expenses of recovering the same in case failure to do so.

## **11. LIEN**

(a) The Carrier shall have a lien on the Goods, for all freight, dead freight, demurrage and the costs and expenses of recovering the same and any other sums whatsoever payable by the Merchant under this Bill of Lading or any other Bill of Lading between Carrier and Merchant and may enforce this lien, by all available means, including public or private sale. The net proceeds of any such sale, after first deducting all costs and expenses in executing the lien shall be applied towards the settlement of the amounts due the Carrier. If on sale of the Goods, the proceeds fail to cover the amount due and the cost and expenses incurred, the Carrier shall be entitled to recover the deficit from the Merchant.

(b) The Carrier shall have a lien on the Goods for all expenses and charges incurred in protecting or caring for the Goods, whether the Goods be damaged or not, and for any payment or liability of whatsoever nature incurred by the Carrier in connection with the Goods, including legal fees incurred through attachments or interpleader or other proceedings in respect of the Goods.

## **12. DANGEROUS GOODS, CONTRABAND**

(a) The Carrier undertakes to carry Goods of a hazardous, injurious or dangerous nature only upon the Carrier's written acceptance of a prior written application by the Merchant for the carriage of such Goods.

(b) The Merchant shall ensure that the nature of dangerous Goods is distinctly and permanently marked and manifested on the outside of the packages and containers, and shall submit all documents or certificates required by any applicable statutes or regulations.

(c) Whenever Goods are discovered to be contraband or prohibited by any applicable laws or regulations, the Carrier shall be entitled to have such Goods rendered innocuous, thrown overboard or discharged or otherwise disposed of at the Carrier's discretion without compensation.

## **13. DELIVERY**

(a) The Carrier shall have the right to deliver the Goods at any time at any place designated by the Carrier within the geographic limits of the place of delivery.

(b) In any case the Carrier's responsibility shall cease when the Goods have been delivered to the Merchant, its agent or subcontractors or otherwise according to law at the place designated by the Carrier. Delivery of the Goods to the custody of Customs or any other authorities shall always constitute final

discharge of the Carrier's responsibility hereunder.

(c) For Goods received by the Carrier in containers the Carrier shall only be responsible for delivery of the total number of containers shown on the face of the Bill of Lading, and shall not be required to unpack the containers.

(d) Where the Goods have been packed into containers by the Carrier, the Carrier shall unpack the containers and deliver the contents thereof and shall not be required to deliver the Goods in containers.

(e) The Carrier shall not be liable for failure to deliver in accordance with marks unless the Goods or Packages shall have been clearly, legibly and permanently marked.

#### **14. NOTICE OF CLAIM AND TIME FOR SUIT**

**(a) Unless notice of loss or damage and the general nature of such loss or damage be given in writing to the Carrier or his agent at the place of delivery at the time of delivery, such removal shall be evidence of the delivery by the Carrier of the Goods as described in the Bill of Lading. If the loss or damage be not apparent, the notice must be given in writing to the Carrier within three days after delivery.**

**(b) In any event and however founded the Carrier shall be discharged from all liability unless suit is brought within one year after the delivery of the Goods or the date when the Goods should have been delivered.**

**(c) Where the Merchant contests the general application of**

**Hague/Visby/COGSA legislation, proof that damage actually occurred in the care, custody or control of the Inland Carrier, and that claim or suit were not timely made within the time limits provided by law and tariff applicable to the Inland Carrier shall create an absolute defense to the liability of the Ocean Carrier.**

## **15. DAMAGES**

(a) In no event shall the Carrier be liable for more than the **contract value** to the Merchant of the damaged or lost items at the place and time they were or should have been delivered to the Merchant. Where permitted by law, the Carrier's liability hereunder shall not exceed **the Merchant's net invoice cost, freight and insurance premiums, if paid.**

(b) **In no event shall the Carrier be responsible for consequential damages, for lost profits, for non-compensatory damages, for exemplary damages, or for damages of any kind arising from delay, loss of market, depreciation or damages payable by the Merchant to any third party.**

## **16. LIMITATION OF DAMAGES**

(a) **Damages shall, in all events, be limited in accordance with the applicable Hague/Visby/COGSA legislation.**

(b) **Unless the nature and value of the Goods have been declared in writing by the Merchant before shipment and**

**inserted in this Bill of Lading, and ad valorem freight regulated in the applicable tariff paid in advance;**

(i) Where **Hague Rules** apply, the Carrier shall in no event be liable for loss or damage in an amount exceeding **the minimum allowable limit per package or unit in the applicable version of the Hague Rules**.

(ii) Where **U.S. COGSA** applies, the Carrier shall in no event be or become liable for any loss or damage to or in connection with the Goods in an amount exceeding **U.S. dollars 500 per package** or, in case of Goods not shipped in packages, per customary freight unit.

## **17. GENERAL AVERAGE AND SPECIAL CHARGES**

(a) **General Average** to be adjusted, stated and settled at any port or place **at the Carrier's option, according to the York-Antwerp Rules 1974 as amended 1994 (or as amended 1990 at the discretion of the Carrier)** and **in the currency selected by the adjuster**, who shall be appointed by the Carrier.

(b) Average agreement, non-separation agreement, deposit or bond shall be furnished by the Merchant to the Carrier before delivery of Goods subject to claims for contribution in General Average.

(c) **The Amended Jason Clause** as approved by the Baltic and International Maritime Conference(BIMCO) is incorporated here by this reference.

(d) **The Both-to-Blame Collision Clause** as adopted by BIMCO is incorporated here by this reference.

(e) In case of special charges or expenditures unforeseen by the terms of this Bill of Lading, and not compensable in General Average, the Merchant shall reimburse the Carrier for all such special charges and expenditures that might be applicable to the Goods.

## **18. DEVIATION**

No reasonable or customary action taken by the Carrier during the carriage of the Goods shall constitute a deviation, and in particular, no action taken by the Carrier pursuant to the Liberties Clause above shall constitute a deviation if it was taken for the intended benefit of the Vessel, the Goods, the Goods of others or the general enterprise. It shall be prerequisite to the Merchant's claim for damages on account of deviation that the Merchant's insurance shall first have been cancelled on account of the alleged deviation. No deviation shall oust the right to limit liability or damages, and the Carrier shall always be entitled to the full benefit of all privileges, rights and immunities contained in this Bill of Lading and any incorporated tariffs.

## **19. SEVERABILITY OF TERMS**

(a) The terms of this Bill of Lading are severable, and if any part or term is declared invalid or unenforceable, the validity or enforceability of any other part or term shall not be affected.

(b) In particular, if any term of this Bill of Lading is held to be

repugnant to the applicable Hague/Visby/COGSA legislation or to any tariff to any extent, such term shall be void to that extent but no further.