

Kalgin International Freight Services (Australia) - Standard Terms & Conditions of Contract

These terms and conditions must be read having regard to the provisions of the Trade Practices Act to the extent that those provisions are applicable to consumers as defined under section 4B of that Act. These terms and conditions do not have the effect of excluding, restricting or modifying rights under that Act which cannot be excluded, restricted or modified by agreement.

1. (a) All and any business undertaken by Kalgin International Freight Services (hereinafter called "the Company") is transacted subject to these conditions each of which shall be deemed to be incorporated in and to be a condition of any agreement between the Company and its customers. The Company only deals with goods subject to these conditions. The Company is not a common carrier and shall accept no liability as such;
(b) The Company in its sole and absolute discretion may refuse to deal with any goods without assigning any reason therefore.
2. Any instructions given to the Company may in the absolute discretion of the Company be complied with by the Company as agent for the customer as disclosed principal or by the Company as principal contractor by its own servants performing part or all of the relevant services or by the Company employing or instructing or entrusting the goods to others on such other conditions as they may stipulate to perform part or all of the services. The customer shall be bound by such other conditions and shall release the Company from liability and indemnify the Company against any claims arising out of their acceptance.
3. Customers entering into transactions of any kind with the Company expressly warrant that they are either the owners or the authorised agents of the owners of any and all goods or property the subject matter of the transaction. By entering into the transaction they accept these conditions for themselves and for all other parties on whose behalf they are acting and they warrant that they have authority so to do.
4. Subject to express instructions in writing given by the customer and by the Company, the Company reserves to itself complete freedom of choice of means route and procedure to be followed in the handling and transportation of goods. If in the Company's opinion it is necessary or desirable in the customer's interests to depart from any express instructions, the Company shall be at liberty to do so.
5. Except where the Company is instructed in writing to pack the goods the customer warrants that all goods have been properly and sufficiently packed and/or prepared.
6. The Company is entitled to retain and be paid all brokerages, commissions, allowances and other remunerations retained by or paid to Ship Forwarding Agents (or Freight Forwarders) and Insurance Brokers.
7. Quotations are given on the basis of immediate acceptance and subject to the right of withdrawal before acceptance and revision after acceptance. If any changes occur in the rates of customs, duty, freight, warehousing, insurance premiums or other charges applicable to the goods, quotations and charges shall be subject to revision accordingly with or without notice.
8. The customer, and the senders, owners and consignees of any goods and their agents, if any shall be deemed to be bound by and to warrant the accuracy of all descriptions, values and other particulars furnished to the Company for customs consular and other purposes and shall jointly and severally

indemnify the Company against all losses, damages, expenses and fines arising from any inaccuracy or omission, even if such inaccuracy or omission is not due to any negligence, wilful act or omission.

9. The customer and the senders, owners and consignees and their agents, if any, shall be jointly and severally liable for any duty, tax, impost, excise, levy, penalty, deposit or outlay of whatsoever nature levied by any Government or the authorities at any port or place in connection with the goods and for any payments, fines, expenses, loss or damage incurred or sustained by the Company in connection therewith and shall indemnify the Company, its servants and agents from all claims by third parties howsoever arising in connection with the goods.

10. When goods are accepted or dealt with upon instructions to collect freight, duties, charges or other expenses from the consignee or any other person the customer shall remain responsible for the same if they are not paid by such consignee or other person.

11. The Customer shall be responsible for the timely return of any container to the person who owns or has a right to possession of the container in a clean and undamaged condition. The Customer agrees to indemnify the Company against any claim, liability or expense, including detention or demurrage charges, which arise as a result of:

(a) a failure to return the container, or

(b) a delay in the return of the container beyond the customary period allowed for container returns, or

(c) any damage to the container, or

(d) the container being returned in a dirty or contaminated condition, regardless of who failed or delayed in the return of the container or where or by whom the container was damaged, made dirty or contaminated.

12. The Customer shall indemnify the Company against any claim, liability or expense which arises as a result of delay in loading or unloading of the Customer's Goods, or any waiting time, detention or demurrage for any truck or any other conveyance whatsoever.

13. (1) The Company's charges to the customers including freight shall be deemed fully earned on receipt of the goods by the Company and shall be paid and non-returnable in any event, cargo lost or not lost or a voyage or flights broken up or abandoned. If there shall be a forced interruption or abandonment of a voyage or flight at the port or airport of shipment or elsewhere, any forwarding of the goods or any part thereof shall be at the risk and expense of the customer and the senders, owners and consignees.

(2) All unpaid charges shall be paid in full and without any offset, counterclaim or deduction, in the currency of the place of receipt of the goods or at the Company's option, in the currency of the place of delivery at the TT selling rate in effect on the day of payment. If the date determined above falls on a day which banks are closed for business, the rate ruling on the next succeeding business day shall govern.

(3) The Company's charges including freight have been calculated on the basis of particulars furnished by, or on behalf of the customer. The Company may at any time open any container or any other package or unit in order to re-weigh, re-measure or re-value the contents and if the particulars furnished by or on behalf of the customer are incorrect, it is agreed that a sum equal to either five times the difference between the correct freight and the freight charged, or double the correct freight less the freight charged, whichever sum is smaller, shall be payable as liquidated damages to the Company.

14. No insurance will be effected except upon express instructions as to the risks to be insured against and the value or values to be declared in writing by the customer and all insurances effected by the Company

subject to the usual exceptions and conditions of the policies of the insurance company or underwriters accepting the risk. The Company shall not be under any obligation to effect a separate insurance on each consignment but may declare it on any open or general policy. Should the insurers dispute their liability for any reason the insured shall have recourse against the insurers only and the Company shall not be under any responsibility or liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rate as that charged by the Company or paid to the Company by its customer.

15. The Company shall not be liable:

- (a) for loss of or damage to goods unless such loss or damage occurs whilst the goods are in the actual custody of the Company and under its actual control and unless such loss or damage is due to the wilful neglect or default of the Company or its own servants;
- (b) for any delay in delivery, forwarding or transit or failure to deliver goods, any deterioration, contamination, evaporation or any consequential loss or loss of market however caused;
- (c) for failure to follow instructions given to it by or on behalf of the customer whether or not such failure is wilful;
- (d) for any damage or expense arising from or in any way connected with marks, numbers, brands, contents, quality or description of any goods;
- (e) for loss or damage resulting from fire, water, explosion or theft whether caused by negligence of the Company's servants or otherwise;

16. (a) The Company shall not be liable under any circumstances for loss or damage resulting from or attributable to any quotation, statement, representation or information whether oral or in writing howsoever, wheresoever or to whomsoever made or given by or on behalf of the Company or by any servant, employee or agent of the Company as to the classification of the liability for or the amount, scale or rate of customs and/or excise duty or other impost, tax or rate applicable to any goods or property whatsoever.

(b) The Company does not accept responsibility or liability in relation to any decision taken or liability incurred on the basis of any such quotation, statement, representation or information.

17. Liability of the Company arising out of any one incident whether or not there has been any declaration of value of the goods, for breach of warranty implied into these terms and conditions by the Trade Practices Act 1974 or howsoever arising, is limited to any of the following as determined by the Company:

- (a) the supplying of the services again; or
- (b) the payment of the cost of having the services supplied again; or
- (c) the lesser of A\$200.00 for loss of or damage to any such goods, packages or units or A\$2.00 per kilogram of the gross weight for loss of or damage to any such goods, packages or units or A\$20.00 per package or unit lost or damaged.

For the purposes of this clause the word "package" shall include the contents even if particulars have been provided or incorporated in any document of the Company.

18. The Company shall be discharged of all liability unless suit is brought in the proper forum and written notice thereof received by the Company within six months after delivery of the goods or the date when the goods should have been delivered. In the event that the said time period shall be found contrary to any Convention or law compulsorily applicable the period prescribed by such Convention or law shall then apply but in that circumstance only.

19. (a) In the case of carriage by sea, the value will not be declared or inserted in the Bill of Lading for the purpose of extending the Ship owners' liability under Article IV Rule 5(a) of Schedule 1 of the Carriage of Goods by Sea Act 1991 except upon express instructions given in writing by the customer.

(b) In the case of Carriage by Air, no optional declaration of value to increase the Air Carriers liability under the Carriage by Civil Aviation (Carrier's Liability) Act 1959, Article 22(2) of Schedule 1 as amended by Schedule 2 will be made except upon express instructions given in writing by the customer;

(c) In all other cases where there is a choice of tariff rates according to the extent of the liability assumed by carriers warehousemen or others no declaration of value (where optional) will be made for the purposes of extending liability and goods will be forwarded or dealt with at owners risk or other minimum charges unless express instructions in writing to the contrary are given by the customer.

20. Instructions to collect payment on delivery (COD) in cash or otherwise are accepted by the Company upon the condition that the Company in the matter of such collection will be liable for the exercise of reasonable diligence and care only.

21. Perishable goods, which are not taken up immediately upon arrival or which are insufficiently addressed or marked or otherwise not identifiable may be sold or otherwise disposed of without any notice to the customer and payment or tender of the net proceeds of any sale after deduction of charges shall be equivalent to delivery. All charges and expenses arising in connection with the sale or disposal of the goods shall be paid by the customer.

22. Non-perishable goods which cannot be delivered either because they are insufficiently or incorrectly addressed or because they are not collected or accepted by the consignee may be sold or returned at the Company's option at any time after the expiration of 21 days from a notice in writing sent to the address which the customer gave to the Company on delivery of the goods. All charges and expenses arising in connection with the sale or return of the goods shall be paid by the customer. A communication from any agent or correspondent of the Company to the effect that the goods cannot be delivered for any reason shall be conclusive evidence of that fact.

23. Except under special arrangements previously made in writing the Company will not accept or deal with any noxious, dangerous, hazardous or inflammable or explosive goods or any goods likely to cause damage. Any person delivering such goods to the Company or causing the Company to handle or deal with any such goods (except under special arrangements previously made in writing) shall be liable for all loss or damage caused thereby and shall indemnify the Company against all penalties claims damages costs and expenses arising in connection therewith and the goods may be destroyed or otherwise dealt with at the sole discretion of the Company or any other person in whose custody they may be at the relevant time. If such goods are accepted under arrangements previously made in writing they may nevertheless be so destroyed or otherwise dealt with if they become dangerous to other goods or property. The expression "goods likely to cause damage" includes goods likely to harbour or encourage vermin or other pests and all such goods as fall within the definition of hazardous and dangerous goods in the legislation governing cartage by road or rail in the States and Territories of Australia.

24. Except under special arrangements previously made in writing the Company will not accept bullion, coins, precious stones, jewellery, valuables, antiques, pictures, livestock or plants and the Company will not

accept any liability whatever for any such goods except under special arrangements previously made in writing.

25. Pending forwarding and delivery goods may be warehoused or otherwise held at any place or places at the sole discretion of the Company at the customer's or owner's risk and expense.

26. All goods and documents relating to goods shall be subject to a particular and general lien for moneys due either in respect of such goods or any particular or general balance of other moneys due from the customer, the senders, owners or consignee to the Company. If any moneys due to the Company are not paid within one calendar month after notice has been given to the person from whom the moneys are due that such goods are detained, they may be sold by auction or otherwise at the sole discretion of the Company and at the expense of such person and the proceeds applied in or towards satisfaction of such particular and general lien.

27. (a) By entering into any agreement to which these conditions apply, the customer on his own behalf and as agent of the owner, sender and consignee agrees and further offers to limit the liability of all servants, employees and agents of the Company in respect to the goods and subject to the agreement to the extent that each such servant, employee and agent shall be protected by and entitled to the full benefit of all provisions in these conditions excluding or restricting tortious liability of any kind;

(b) The offer hereinbefore referred to shall be accepted by the act of each such servant employee or agent in performing any function in relation to or affecting the goods the subject of the agreement;

(c) For the purposes of the foregoing provisions of this clause the Company is and shall be deemed to be acting as agent on behalf of and trustee for the benefit of all persons who are or become its servants employees or agents from time to time and all such persons shall to this extent be and be deemed to be parties to the agreement concerned.

28. In addition to and without prejudice to the foregoing Conditions the customer undertakes that it shall in any event indemnify the Company against all liabilities suffered or incurred by the Company arising directly or indirectly from or in connection with the customer's instructions or their implementation or the goods including containers and in particular the customer shall indemnify the Company in respect of any liability it may be under to any servant, agent or sub-contractor, or any haulier, carrier, warehouseman, or other person whatsoever at any time involved with the goods arising out of any claim made directly or indirectly against any such party by the customer or by any sender, consignee or owner of the goods or by any person interested in the goods or by any other person whatsoever.

29. Without prejudice to any other Condition, the Company shall have the right to enforce any liability of the customer under these conditions or to recover any sums to be paid by the customer under these conditions not only against or from the customer but also if it thinks fit against or from the sender and/or owners and/or consignees of the goods.

30. The use of a customer's own form shall in no way derogate from these conditions the whole of which shall, notwithstanding anything contained in any such form, constitute terms of the agreement so entered into. Any provision in any such form which is contrary to any provision of these Conditions shall to the extent of such inconsistency be inapplicable.

31. The goods shall be deemed to have been delivered as described unless notice of loss or of damage to the goods indicating the general nature of such loss or damage shall have been given in writing to the

Company or to its representative at the place of delivery before or at the time of removal of the goods by a representative of the person entitled to delivery thereof or if the loss or damage be not apparent within three consecutive days thereafter.

32. No agent or employee of the Company has the Company's authority to alter or vary these conditions.

33. All the rights, immunities and exemptions from liability in these terms and conditions shall continue to have their full force and affect in all circumstances and notwithstanding any breach of this contract or of any of these terms and conditions by the Company or any other person entitled to the benefit of such provisions and irrespective of whether such may constitute a fundamental breach of contract or a breach of a fundamental term.

34. These conditions shall be governed by and construed in accordance with the laws of the State or Territory in which this contract was made.

Kalgin International Freight Services, Australia - ABN 57 003 583 882