

**General Terms and Conditions of Business
and Work Rules of BLG Cargo Logistics GmbH & Co. KG**

Due to the disparity between the remuneration for logistics services (cargo handling, temporary storage, storage as well as handling and treatment of goods) and the value of the goods handled, stored or treated, BLG Cargo Logistics GmbH & Co. KG – hereinafter referred to as BLG – is forced to limit the scope of its liability vis-à-vis its clients.

It is the duty of the client to insure the goods against insurable damage and to agree on a waiver of recourse with the respective insurance companies.

The client must perform the duties for which he is responsible according to these Terms and Conditions of Business – particularly his duties with respect to declaration, cooperation, labeling and advance performance obligations – in due time and in full so BLG can meet its performance obligations.

1. General section

1.1 Area of application, contracting parties

1.1.1 The General Terms and Conditions of Business – hereinafter referred to as GTCB – shall apply to all services performed by BLG and the related temporary storage as well as to all work offered and carried out by BLG in this connection in the broadest sense.

1.1.2 The GTCB shall apply to all legal transactions that BLG concludes with enterprises, legal entities under public law or special assets under public law. In addition, the latest versions of the BLG scale of charges apply in each case.

1.2 Legal bases

1.2.1 These GTCB constitute the legal basis of the contractual relations between the client and BLG. Any terms and conditions of business of the client that diverge from these shall apply only if they have been expressly recognized in writing by BLG. Otherwise the general terms and conditions of business of the client shall be eliminated by agreement.

1.2.2 Insofar as the provisions of these GTCB do not preclude this, the German Freight Forwarders' Standard Terms and Conditions (ADSp) in the respective current version shall additionally apply.

- 1.2.3 The services and temporary storage shall be performed at the company facilities designated for this purpose to which third parties do not have access as a rule.

2 Formation of contract

2.1 Conclusion of contract, reimbursement of expenses

- 2.1.1 BLG offers shall be subject to change without notice. A contract is not formed until the client has received BLG's order confirmation or BLG begins with its services and performance. Oral side agreements and assurances of its employees shall not become binding until they have been confirmed in writing.
- 2.1.2 In addition to the provisions of these GTCB, BLG's offer and order confirmation shall be authoritative for the subject matter of the contract. Subsequent changes, additions or side agreements must be in writing to obtain effect.
- 2.1.3 In the case that a contract is not concluded, the client shall assume, at BLG's first request, all expenditures and investments which have been incurred and made by BLG due to the initiation of the contract until the time of failure of the negotiations.

2.2 Prices, rates, packaging, price changes

- 2.2.1 For the scope of application of these GTCB BLG's rates at the time of submission of its offer shall apply. They shall apply only to its own services and/or services of third parties that have been specifically indicated, to goods of normal magnitude, weight, quality and nature as well as to the specifications of the client. BLG shall have the right to increase its prices according to its actual costs if the information given in the inquiry of the client concerning the goods or the service to be performed was inaccurate.
- 2.2.2 If BLG's prices increase or freight rates, taxes, charges or fees are introduced or increased, BLG shall have the right to alter the price accordingly, unless it is responsible for the increase. This shall also apply to cost increases after conclusion of the contract due to changes in the collective pay agreements for the staff assigned by us or our vicarious agents or other impediments or difficulties for which we are not responsible. The additional expenses resulting from this shall be reimbursed by our client. The same shall apply to costs for security measures that result from the ISPS code and other supplementary and/or subsequent supplanting regulations.

- 2.2.3 All prices are net, i.e. exclusive of value added tax and packaging costs. The packaging costs shall be borne by the client. The packaging shall become the property of the client.
- 2.2.4 Payments by the client must be made within a week after receipt of the invoice without any deductions. Payment shall not become effective until BLG can definitively and freely dispose of the respective amount of money.
- 2.2.5 In the case of late payment, BLG shall be entitled to interest on arrears to an amount of eight percentage points above the base interest rate from Section 247 of the German Civil Code (BGB).

2.3 Business orders

- 2.3.1 Unless special written agreements have been made in individual cases, BLG shall only perform services on the basis of orders that have been placed on the prepared order forms. If goods are to be received as goods in storage, a separate order for goods in storage must always be placed in this case.
- 2.3.2 If BLG accepts an oral order, it shall assume no liability of any kind for the consequences resulting from the lack of a written order.
- 2.3.3 Every order must contain the complete name and/or complete designation of the client's company. Exemptions or releases declared in writing on orders for imported goods provided with the corresponding form must contain the signature of the ship's representative (shipbroker).
- 2.3.4 BLG can permit or demand in general or for certain services that orders or other essential declarations for order processing and completion be transmitted by means of electronic data communication in the specified manner in accordance with user regulations existing for this purpose.

2.4 Insurance requirement and waiver of recourse

The client shall be required to insure the goods against all insurable damage. With his insurance company the client shall agree to a waiver of recourse against us and our vicarious agents.

2.5 Disclosure, declaration and labeling duties

- 2.5.1 The client has to notify us in full and in due time of all circumstances of significance for proper execution of the order according to the specifications in the specimen orders and order forms. This shall apply in particular to the number, type and content of the packages, dimensions of the goods and their suitability for shipping as well as to special characteristics, such as center of gravity, hazardous nature, fragility and temperature sensitivity of the goods.
- 2.5.2 Exclusively the special order forms specified by BLG for this purpose shall be used for hazardous goods. These forms must contain the legally or officially stipulated information. Only goods of the same category of hazardous goods may be listed in one order. It is the responsibility of the client to ensure that the freight forwarder and/or carrier receives the specified order copies in due time.
- 2.5.3 The client shall be required to give notice in writing of the precise type of hazard and the precautionary measures to be taken upon order placement. If the cargo involved consists of hazardous goods in accordance with the law on the conveyance of hazardous goods or other goods for the transport or storage of which special legal provisions relating to hazardous goods apply, the client must inform BLG of the classification according to the relevant hazardous goods law. It is the client's responsibility to examine whether receipt or handling of the goods is permissible in accordance with the governing legal or official regulations and whether special requirements apply in this case.
- 2.5.4 Goods that are not subject to the regulations concerning the transport of hazardous goods, but from which risks may emanate on the basis of their specific characteristics during handling or storage, shall be identified in the orders through explicit references to these characteristics.
- 2.5.5 The goods and/or their containers or packing drums shall be provided with labels that are necessary and legally or officially required for their proper treatment and handling by the client.
- 2.5.6 Special reference must be made to legally or officially stipulated supervision of cargo handling by qualified supervisory personnel.

- 2.5.7 The client has to provide BLG, unsolicited and in due time, with all information required for proper exportation of the goods out of the territory of the Federal Republic of Germany or importation into the same.
- 2.5.8 To the extent the client refers us to third parties because of the information indicated in the previous subsections, their specifications and information shall apply as those of the client.
- 2.5.9 If the client violates his disclosure, labeling or declaration duties, BLG shall be exempt from any liability in this connection. The client shall be required to keep BLG free of any claims of third parties at BLG's first request.

3 Implementation of the contract

3.1 Duty of performance, delivery periods, partial delivery

- 3.1.1 BLG shall perform the work specified in the order in a sequence at its complete discretion.
- 3.1.2 BLG shall have the right to make partial deliveries.
- 3.1.3 In the absence of an agreement with the plant manager, shipping and delivery periods shall not be guaranteed; this also applies to a certain sequence in the clearance of goods transported in the same manner. A claim to completion of an order at a certain point in time shall not exist in the absence of such an agreement even if an order with a defined deadline was accepted without reservation.
- 3.1.4 While giving reasonable consideration to the circumstances, BLG shall have the right to interrupt loading at its own discretion and resume the operation at a later time.

3.2 Duty to cooperate

- 3.2.1 Compliance with the customs, tax, railway or other legal and official regulations and provisions concerning statistics on the movement of goods is the responsibility of the client. In particular, the latter has to fill out all necessary forms himself and supplement and complete them as required as well as provide for clearance of the goods and/or accompanying documents.
- 3.2.2. If BLG assumes customs clearance in full or in part, it shall act only as a vicarious agent of the client to this extent. Duties arising from such activities shall not be established on the basis of performance of the same. The client shall remain obliged to

effect complete reimbursement of any required customs duties, taxes, contributions and charges and make similar cash payments. In the case of any claims against or demands on BLG in this connection, the client shall be required to release BLG from this obligation to make payment at the latter's first request.

3.2.3 The necessary approvals shall be obtained exclusively by the client at the latter's expense prior to the beginning of work. In addition, there is no inspection requirement with respect to the completeness and accuracy of the approval unless there is a justified reason for this.

3.2.4 If the client violates his duty to cooperate, BLG shall be exempt from any liability in this connection. To this extent the client shall be required to keep BLG free of any claims on the part of third parties at BLG's first request.

3.3 Cargo checks

3.3.1 BLG shall be entitled, but not required, to check and determine at any time whether the weight, type as well as the quality and nature of the goods supplied to it conform with the specifications in the corresponding orders. Instead of this, BLG can optionally demand from the client verification of the accuracy of these specifications or verification of the dimensions of the goods. The costs of such an inspection shall be borne by the client if the latter's specifications turn out to be incorrect.

3.3.2 BLG can reject a check of the markings or a count check of the goods supplied to it if such a check would lead to a significant impediment to cargo handling.

3.3.3 In the case of palletized goods, BLG shall in any case only be required to determine the number of pallets. The same also applies to other large units of goods that are supplied or transshipped in containers.

3.4 Delivery to the authorized recipient

Delivery of the goods to the authorized agent of the recipient or to a carrier authorized to receive them is equivalent to delivery to the recipient. Furthermore, shipment of the goods in railway cars, containers, flats or trailers as well as transfer of the goods to the ship is equivalent to such delivery.

3.5 Self-contracting

BLG is authorized to carry out transport of the goods through self-contracting. If it makes use of this authorization, it shall have the rights and duties of a carrier or

shipper with respect to such transport. In this case it can demand the usual freight rate in addition to remuneration for its work as a freight forwarder.

3.6 Billing of waiting time

The client shall pay BLG the standard rates for waiting times which occur during loading and unloading because the operational facilities or labor provided was insufficiently utilized as a result of the client's measures or because the necessary orders were not submitted in time or for other reasons that cannot be ascribed to BLG's scope of risk.

3.7 Acceptance of goods from inland

- 3.7.1 Unless different agreements have been made in individual cases, goods brought from inland shall be unloaded from the means of transportation by BLG at the places designated by it and accepted for further handling. BLG shall unload and receive the goods supplied to it continuously within the framework of its operational capabilities. BLG can refuse acceptance of such goods for which there is no verification that they are definitely designated for further transport.
- 3.7.2 If goods are delivered for a third party, BLG shall accept them for the latter. Further disposition of these goods is only possible with the consent of the specified third party.
- 3.7.3 If goods are delivered without designation of the specified third party, they shall be kept for the deliverer until BLG has received instructions to the contrary.

3.8 Exclusions of acceptance

- 3.8.1 Goods which in BLG's estimation are not suitable for receipt or pick-up or which jeopardize safe handling because of their characteristics, quality, nature or packaging shall be excluded from acceptance.
- 3.8.2 In connection with acceptance and handling of temperature-sensitive or perishable goods, it is the responsibility of the client to take the measures necessary for safe handling of the goods in due time prior to delivery and/or receipt or pick-up of the goods himself or to agree to performance of such measures by BLG.

3.9 Undeliverable and excluded goods

- 3.9.1 In the case of goods for which acceptance is refused or not effected in due time and a party authorized to dispose of them cannot be ascertained despite investigations or goods for which delivery is otherwise not possible, BLG can put them elsewhere for account and risk of the client or of the party authorized to dispose of them at its discretion.
- 3.9.2 BLG shall have the right to sell these goods as best possible without further formalities if they are subject to rapid spoilage, if they cannot be stored according to the local conditions or if their value would be disproportionately diminished due to longer storage or the resulting costs.
- 3.9.3 Goods that are supplied to BLG's operational facilities without prior notice or contrary to the provisions in subsection 3.8.1 as well as goods which in BLG's view must be regarded as spoiled must be removed from the party authorized to dispose of them at BLG's request. If this request is not met promptly, BLG shall have the right at its discretion to put the goods concerned elsewhere for account and risk of the authorized party, to sell them without further formalities or, if both these measures prove to be impracticable, to destroy them or have them destroyed.

The proceeds from such sale shall be placed at the disposal of the party authorized to dispose of the goods after deduction of the costs incurred. The claim to these proceeds shall expire after two years to the benefit of BLG.

3.10 Hazardous goods

If it turns out after acceptance of goods that in BLG's estimation they endanger people, the operational facilities or other material goods due to their nature or condition, the goods concerned shall be immediately repaired, transferred to other containers or removed at BLG's request by the client at the latter's expense and risk.

3.11 Impediments to performance, right of termination and cancellation

- 3.11.1 Events of force majeure (calamities, traffic stoppages, storm, flood, fire, war, blockades, etc.) as well as official directives, any import and export bans, but also operational disruptions, such as strike, lockout and difficulties with the provision of personnel or material, which significantly hamper the performance necessary for implementation of the contract on the part of BLG or its suppliers (vicarious agents, subcontractors, etc.), make such performance impossible or only possible at a loss, shall give BLG the right to postpone the performance for the duration of the impediment, in addition to a reasonable lead time.
- 3.11.2 In cases of force majeure and the other impediments to performance indicated in the above subsection, both contracting parties shall have the right to terminate the contract without notice, even if the order has already been executed in part. On termination of the contract a pro rata remuneration corresponding to the services performed up to that point shall be paid to BLG.
- 3.11.3 BLG shall be entitled to terminate the contract if the contracted work cannot be carried out due to the quality or nature of the goods, because of violation of duties of disclosure and cooperation by the client or for other reasons falling within the scope of responsibility of the client. In this case BLG shall be entitled to the agreed remuneration and the expenditures to be refunded after taking into account what it saves in expenses as a result of rescission of the contract. Instead of the specific billing, BLG can demand a third of the agreed remuneration as a lump sum.

3.12 Motor vehicle traffic

- 3.12.1 Goods arriving or leaving on road vehicles shall be loaded or unloaded by BLG in precise accordance with the orders placed with it unless there is a contrary agreement.
- 3.12.2 The fixing of goods for their protection and for the operational safety and reliability of the road vehicle is not part of a shipping order. If BLG carries out the fixing of goods on road vehicles on the basis of a separate order, this shall be done according to the instructions of the responsible vehicle driver. Furthermore, the provisions in subsection 4.8.3 shall apply accordingly.

3.13 Railway traffic

- 3.13.1 If BLG arranges for requisition of railway cars, a guarantee for punctual provision of the cars cannot be assumed. It is the responsibility of the client to inform himself regarding punctual provision of railway cars at the relevant operating units of Deutsche Bahn AG.

If railway cars are requested by BLG, this shall be done at the discretion of BLG and at the risk of the client unless special instructions have been given by the client on the type of cars to be used.

3.13.2 Loading and unloading of railway cars at BLG's facilities shall be carried out exclusively by BLG in precise accordance with the orders placed with it. Loading and unloading of railway car cargo that arrives or departs for storerooms rented at fixed terms shall be excluded from this. When goods are shipped on railway cars, BLG provides for the fixing of the cargo that is necessary for reasons of operational safety and reliability according to the shipping regulations of Deutsche Bahn AG. Fixing for the protection of the cargo going beyond this shall only be provided by BLG if it has been expressly instructed to do so and has confirmed the shipping method to the client in writing. The fixing costs shall be billed to the client separately.

3.13.3 For the goods unloaded by BLG from railway cars the latter shall not be responsible for notifying the recipient according to the bill of freight about the arrival of the goods and/or differences between the specifications in the bill of freight and the actual circumstances.

3.14 Storage contract

The provisions of Sections 467 to 474 and Section 475 b) to 475 h) of the German Commercial Code (HGB) shall apply to the goods stored on the basis of a storage contract. With regard to BLG's liability as the warehousing company and the statutes of limitation the provisions according to subsections 6.3 to 6.8 of these GTCB shall apply instead of Sections 475, 475 a) of the German Commercial Code (HGB). The other provisions of the GTCB shall apply in addition to the provisions indicated here.

3.15 Accident prevention, instructions and open fire

3.15.1 The persons who drive vehicles in BLG's operational areas, spend time there or use them in any other way have to comply with the requirements and prohibitions indicated through signs and follow the instructions of the BLG supervisory staff. The accident prevention regulations of the trade association of wholesalers and warehousing companies shall be complied with.

3.15.2 Open fires and smoking in the operational area (port grounds, buildings) are prohibited.

3.15.3 Remaining in the area around the equipment is prohibited during cargo handling activities.

4. Special provisions for cargo handling in port

4.1 Direct and indirect cargo handling

- 4.1.1 The goods to be handled shall be put in temporary storage by BLG unless contrary agreements have been made. Goods generally suitable for this can be stored temporarily outdoors.
- 4.1.2 BLG shall have the right to reject direct cargo handling applied for in the case that this would delay or otherwise impair handling of the goods concerned or other cargo handling work in a manner that is unreasonable for BLG.

If BLG carries out direct cargo handling according to the order, it shall be required to check the markings of the goods only to the extent this is feasible within the framework of the usual cargo handling without any special difficulties.

4.2 Treatment of goods

- 4.2.1 In the sheds and outdoor storage areas used for temporary storage of transit goods BLG permits the parties authorized to dispose of the goods and the authorized agents of these parties to treat and handle its goods to the extent customary in the Ports of Bremen and Bremerhaven. This shall not apply to goods that have been supplied to special cargo handling facilities or such BLG facilities in which treatment is carried out exclusively by BLG.
- 4.2.2 The parties authorized to dispose of the goods have to put together or stack the goods inspected or processed by them properly as well as carry out the necessary clean-up work, otherwise this will be arranged for by BLG for account of the parties authorized to dispose of the goods.
- 4.2.3 Preparatory work for cargo handling, particularly putting goods together into units on or in loading or transport aids (pallets, containers, trailers, etc.) as well as taking apart such loading or transport units, including all related secondary work (lashing, delashing, etc.), shall be carried out by BLG.
- 4.2.4 If in the estimation of BLG reworking or securing measures or other work is necessary to preserve, repair or reinforce the packaging of supplied goods, it can perform such services, or have them performed, for account of the party authorized to dispose of the goods if the client or the party authorized to dispose of the goods is not accessible in due time in order to arrange for such measures himself.

4.3 Berths

- 4.3.1 Regardless of the berth assigned by BLG, every ship operator shall remain responsible for ensuring that his ship meets the public law regulations for occupying the assigned port berth on a permanent basis.
- 4.3.2 In the interest of optimal utilization of the capacity of BLG's facilities as well as of guaranteeing smooth traffic, BLG can demand that ships leave the berth assigned to them immediately after completion of the cargo handling work. It can also demand that a ship be transferred to another berth if this is necessary for cargo-related reasons or in the case that the ship or the stevedores assigned on board the ship do not perform their duties properly as a result of personnel shortage, refusal to perform additional work ordered or for other reasons, including those of force majeure. BLG shall not be responsible for disadvantages for the ship resulting from this.
- 4.3.3 If a ship does not comply with these instructions, BLG shall have the right, after coordination with the port authority / harbormaster, to have the ordered measures carried out by third parties for account and risk of the ship.

4.4 Ship's representatives

Agreements made with the agent / ship's representative shall be binding for the ship in the same way as agreements with its captain.

4.5 Ship clearance

- 4.5.1 Cargo manifests (cargo lists, etc.) shall be submitted for the loading and discharge of ships in due time in such a way that BLG can carry out the necessary cargo handling arrangements. Loading and discharging ships must carry out their activities in the hatch or on deck in such a way that work on the quay is not delayed or interrupted. BLG can demand that ships work without interruption until completion of their clearance. Any additional costs incurred as a result of this shall be borne by the shipping company or its representative.
- 4.5.2 Loading and discharge with the ship's own lifting gear shall only be permitted in exceptional cases and with the express approval of BLG.

4.6 Cargo manifest

- 4.6.1 In the case of conventionally transported imported goods, the labeling, number of pieces, hazardous properties, type of packaging as well as type, quality, nature and weight of the goods – and in the case of measurement goods, also their cubic content –

must be indicated in the cargo manifest to be submitted by the ship according to subsection 4.5.1. Hazardous goods listed in the manifest must be specially identified in precise accordance with subsections 2.5.4 and 2.5.5. The cargo manifest shall be valid as order for discharge and receipt of the goods as transit goods until separate orders have been submitted. The goods shall be received in sheds and/or on outdoor storage areas at BLG's discretion.

- 4.6.2 If a "discharge" order with a release note of the ship's representative / shipbroker is submitted to and accepted by BLG, the client shall be regarded as the sole party authorized to dispose of the goods designated in the order, even if the goods have already been discharged and received at the BLG facilities on the basis of a cargo manifest submitted by the ship. On submission of an order according to subsection 1 the client shall be required with respect to BLG to bear the costs of discharge and receipt at the BLG facilities for the goods designated in the order, regardless of the continuing liability to pay costs of the party who was the initiator of these services.

4.7 Loading ships

- 4.7.1 Unit loads moved on their own power are provided by BLG at the shipboard stowage points specified on board the ship. The same applies to containers, flats, trailers and other load carriers.
- 4.7.2 Conventionally transported cargo shall be conveyed on board the ship by BLG with its own equipment. Every hoisted cargo item shall be regarded as having been taken over by the ship as soon as it has completely passed the ship's railing. All work performed by BLG after this point in time and serving to convey the goods to their final stowage site, including further use of equipment, shall be carried out on behalf of the ship. BLG's lifting gear works in the ship area from and to the railing according to the instructions of the party authorized by the ship. Accordingly the ship shall provide for responsible signaling by a signalman. Furthermore, the ship shall be responsible for the necessary auxiliary measures, such as guiding the cargo while it is lowered and taking the cargo off the crane hook.
- 4.7.3 At BLG's request its staff shall be granted access to those sections of the ship in which BLG works with its lifting gear. The personal responsibility of the personnel assigned on board the ship for the tasks for which it is responsible, such as signaling, shall not be affected by this.

4.8 Loading, fixing, loading instructions

- 4.8.1 If the goods are loaded onto vessels by BLG, the goods shall be stowed according to the instructions of the ship's captain.
- 4.8.2 Fixing of the goods for their protection and ensuring the operational safety and reliability of the ship are not part of the loading order. The client shall not have any corresponding liability claim.
- 4.8.3 BLG has to follow the client's instructions if it has confirmed their validity or amendment in writing and the ship's captain and vehicle driver respectively agree. BLG shall not be required to check planning documents and loading instructions that it receives from the client or the latter's vicarious agents for their accuracy.

4.9 Discharging cargo from ships

- 4.9.1 Unit loads moved on their own power, containers, flats, and trailers shall be discharged by BLG and conveyed to shore.
- 4.9.2 If goods stowed in containers, flats or on trailers by BLG are not unpacked, the latter shall retain custody of the goods for the discharging ship until delivery to the recipient or until further loading of the containers, flats or trailers onto the subsequent means of transport.
- 4.9.3 It shall retain custody of goods which are stowed in containers, flats or on trailers and are unpacked by BLG on behalf of a ship's representative / shipbroker until completed unpacking of each consignment. After this point in time the unpacked goods shall apply as having been taken over by BLG. Then they shall be treated the same as conventionally transported goods received by BLG from ships.
- 4.9.4 Conventionally transported goods shall be placed on the lifting gear for the purpose of discharge by the shipboard stevedores in the hatch or on deck in such a way that the crane hook and crane rope are upright during hoisting. The ship must deliver the individual lots of a bill of lading separated and in self-contained units as well as in equal hoisted loads as far as possible.
- 4.9.5 Subject to the closer examination with respect to number of pieces, condition, etc., the goods shall be regarded as having been taken over by BLG as soon as they pass the ship's railing. In addition, the provisions of subsection 4.7.3 shall apply.
- 4.9.6 During the handling of conventionally transported goods, furthermore, the ship shall be responsible for constant monitoring of the cargo handling equipment during fastening of the goods on the ship.

4.9.7 In the case of the goods taken over by BLG from seagoing vessels, BLG shall not effect notification of the recipient of the arrival of the goods, for which the shipper is responsible. Moreover, it shall not be required to notify the recipient of any discrepancies between the specifications in the cargo documents and the actual circumstances in terms of dimensions, weight, marking or designation of the goods.

4.10 On-shore delivery and loading

4.10.1 BLG shall have the right to refuse delivery and handling of goods supplied by ship until final discharge of the cargo from the ship concerned if in its estimation proper execution of the discharge transaction and the necessary overview of the lots to be supplied would otherwise be impaired.

4.10.2 BLG shall deliver the goods to the party who submits the delivery and/or loading order that must be submitted by the latter as well as a declaration of release of the ship's representative / shipbroker which documents the client as the legitimate recipient.

4.10.3 Delivery of the goods shall be carried out only in return for payment of all remuneration owing to BLG.

4.10.4 The goods to be delivered shall be loaded onto overland means of transport by BLG at the sites designated by it in precise accordance with subsections 3.12 and 3.13.

4.11 Packing containers, flats and trailers

If BLG assumes responsibility for loading / packing conventionally delivered cargo in containers, flats or on trailers, the loading of each package into containers, flats or on trailers shall be regarded as delivery of the above mentioned load carriers to the party authorized to dispose of the goods. In this connection BLG shall retain custody of the respective package until the packed container, flat or trailer has been set down on board the ship carrying out transport.

5. Handling cases of damage

5.1 Assessment of damage

5.1.1 In the case of acceptance and delivery of the goods as well as direct cargo handling, BLG shall only identify defects that are easily detectable on the outside. The result shall be recorded in writing or on electronic data carriers and reported to the party authorized to dispose of the goods on request.

- 5.1.2 If loss, depreciation in value of or damage to the goods taken over by BLG is reported by the party authorized to dispose of the goods, BLG shall determine the condition of the goods and, as far as possible, also the cause and time of damage and give the party authorized to dispose of the goods written notice of the result.
- 5.1.3 When it takes over goods from ships, BLG shall not represent the rights of the recipient derived from the bills of lading or shipping notes vis-à-vis the shipper. In particular BLG shall not be not responsible for the notice of damage in accordance with Section 611 of the German Commercial Code (HGB) or participation in an inspection arranged for on board the ship

5.2 Notice of damage and requirement to give notice of defects

- 5.2.1 Loss of or damage to the goods shall be reported to BLG in writing by the time of delivery of the goods to the party authorized to receive the goods at the latest. If the loss or damage was not identifiable on the outside, it is sufficient if the notice is sent within three days from the time of delivery. The loss or damage shall be indicated with adequate clarity in the notice. Designation of the damage on a form is not sufficient.
- 5.2.2 Loading of the goods on railway cars or in containers, flats or on trailers as well as transfer of the goods to the ship are equivalent to delivery to the party authorized to receive the goods. A notice of damage shall not be required if the condition of the goods or their dimensions, number or weight has been ascertained and recorded in writing within three days from delivery with the involvement of a BLG staff member responsible for statements of damages and having custody of the goods.
- 5.2.3 If loss of or damage to the goods has neither been reported nor ascertained by BLG in the above described manner, it shall be presumed that the goods have been delivered in full and in the way noted in the cargo handling papers and that, if a loss of or damage to the goods is verified, this damage is due to circumstances for which BLG is not responsible.

6. Liability

6.1 Client's liability, cancellation

- 6.1.1 The client shall be liable for any damage to the goods themselves, to BLG's facilities, to the goods stored or handled there or to third parties resulting from incorrect, imprecise, inadequate or late specifications, in particular with respect to number of pieces, weight, quality or nature (e.g. hazardous nature), due to defects in the goods or their packaging.

6.1.2 The client shall be responsible for negligence on the part of persons whom he employs to meet his responsibility for submission of correctly issued orders, cargo manifests, freight lists, packing lists, etc. to the same extent as his own negligence.

6.2. Cancellation

6.2.1 If a breach of duty occurs for which BLG is not responsible, the client shall not have the right to cancel the contract.

6.3 BLG's responsibility

6.3.1 As far as performance of its contractual duties is concerned, BLG shall be responsible with the diligence of a prudent businessman. In the event of negligent violation of this diligence, BLG shall be liable to the client for the resulting damage in accordance with subsections 6.3 to 6.8.

6.3.2 BLG shall be responsible for the actions and failures of its people to the same extent as for its own actions and failures if the people act on behalf of BLG in the performance of their duties. The same shall apply to actions and failures of other persons whom BLG employs to carry out the order placed with it.
The liability provisions of this subsection shall also apply to the liability of BLG's bodies and vicarious agents.

6.3.3 The liability provisions of this subsection shall apply regardless of the contractual or non-contractual basis on which a claim for damages can be supported. More extensive limitations of liability in other provisions of these GTCB or in individual agreements shall not be affected.

6.4 Liability of BLG

6.4.1 With the exception of the cases of violation of major contractual duties and in the event of personal injury or damage, BLG shall not be liable for damage caused by slight negligence.

6.4.2 In no case shall BLG be liable for consequential or property damage caused as a result of loss, total or partial damage of goods.

6.4.3 Except in the case of intent on the part of its legal representatives, BLG shall not be liable for causing damage in connection with auxiliary services which have been granted by its representatives free of charge, but for which BLG has no contractual obligation.

6.4.4 If BLG is only responsible for concluding the necessary contracts for performance of the contractual services, it shall be liable only for careful selection of the third parties that it assigns to such performance.

6.4.5 In all cases in which BLG assumes liability for loss of or damage to goods, it shall make compensation for the value and costs in accordance with Sections 429, 430 of the German Commercial Code (HGB), subject to the limitations of liability regarding amount in subsection 6.5. and 6.6.

6.5 Presumed non-negligence

6.5.1 If damage has taken place that may have resulted from the occurrence of one of the following dangers, judging by the circumstances of the case:

1. lightning, fire, intrusion of water, storm or explosion;
2. grand theft or robbery (Sections 243, 244, 249 of the German penal code [StGB]);
3. losses or damage to goods that, according to agreement or as a rule, are kept outdoors, in merely covered stores or storage areas or in rooms in which the parties authorized to dispose of the goods and/or their authorized agents are permitted to handle the goods;
4. acts of authorities, force majeure, strike, lockout or other impediments to work;
5. actions or failures of the parties authorized to dispose of the goods or their representatives;
6. loading or unloading the goods by parties authorized to dispose of the goods or their authorized agents;
7. lacking or defective packaging, inadequate or incorrect labeling, marking, dimensional or weight data or inadequate designation of center of gravity or fastening points;
8. hidden defects or the peculiar natural type as well as quality and nature of the goods;

it is presumed that the damage resulted from this danger.

In the above mentioned cases BLG shall be liable only if it is verified that the damage is also based at least on negligence founded on its liability according to subsections 6.2 and 6.3.

6.5.2 If damage is attributed both to the occurrence of one of the dangers specified in subsection 6.4.1 and to negligence on the part of BLG leading to liability, the requirement for compensation for damage depends, in terms of the grounds and the

extent of the compensation to be provided, on the extent to which the special dangers specified in the above subsection, on the one hand, and the negligence of BLG on which the liability is based, on the other hand, have contributed to the damage.

6.6 Limitations of liability regarding amount

6.6.1 In cases in which, in terms of the grounds, BLG is required to make compensation for damage incurred in accordance with subsections 6.2 to 6.4, the following subsections shall apply to the amount of the compensation for damage.

6.6.2 If compensation must be made for damage or for a total or partial loss of goods, such compensation shall be limited to an amount of two units of account (Special Drawing Rights) in accordance with Section 431 subsection 4 of the German Commercial Code (HGB) for every kilogram of gross weight of the goods for which loss or damage has been incurred, but to a maximum of 5,000 euros per package or unit load (vehicle, pallet or container) and 50,000 euros per case of damage. Furthermore, Section 431 subsection 2 of the German Commercial Code (HGB) shall additionally apply.

Such liability of BLG shall be limited to 250,000 euros per calendar year and client.

6.6.3 If BLG is liable for material damage that has not resulted due to damage, total or partial loss of the goods or to goods of third parties, the requirement to make compensation shall be limited to an amount 100,000 euros per case of damage.

Such liability of BLG shall be limited to 500,000 euros per calendar year and client.

6.6.4 Regardless of how many claims are lodged from a damage-entailing event, the liability of BLG shall be limited in each case to 2.5 million euros or two Special Drawing Rights per damage-entailing event, depending on which amount is higher. If the sum of the individual claims, calculated according to the maximum liability limits of the above subsections, is higher than this amount, this amount shall be distributed pro rata to the individual claimants, i.e. in the proportion of the claims calculated according to the above provisions.

If the amount of the individual claims or their distribution to the individual claimants is contested, BLG can absolve itself from the liability vis-à-vis all claimants by depositing the maximum total amount to be paid.

- 6.6.5 The unit of account indicated in 6.6.2 is the Special Drawing Right of the International Monetary Fund. The amount is converted to euros according to its value in relation to the Special Drawing Right on the date of delivery of the goods by BLG.
- 6.6.6 If BLG is liable for damage resulting from overrunning an agreed deadline, the requirement for making compensation shall be limited to a maximum of triple the cargo handling fee.
- 6.6.7 In no case shall BLG be liable for consequential or property damage.
- 6.6.8 The above defined limitations of liability refer to claims of all kinds, including claims arising from an unlawful act.
- 6.6.9 If claims are lodged by the injured party against a body or staff of BLG or persons for whom an obligation exists on the part of BLG to provide for employee welfare according to labor law, these persons can refer to all limitations of liability applying to BLG.

6.7 Extended liability in connection with declaration of value

- 6.7.1 The exemptions and limitations of liability defined in subsections 6.3 to 6.5 shall not apply if the client gives separate written notice of the type and value of the goods prior to their delivery and has entered the declared value in the order transmitted for the goods concerned. The same shall apply if, in the case of loss or damage to the goods, the client has given written notice of the amount of a special interest prior to delivery of the goods and has entered the amount of this interest in the order transmitted for the goods concerned.
- 6.7.2 In the case of declarations of value of the kind indicated in the above subsection, the maximum liability limit is determined according to the declared value of the goods and/or of the special interest. BLG shall insure the goods whose value has been declared and the special interest whose value has been declared for the period of its custody of the goods at the respective declared value against the risk of loss or damage and charge the costs to the client as a fee surcharge. If BLG has taken out such insurance, it is exempt from liability for any damage covered and reimbursed through this insurance. This shall also apply in the case that the insurance amount falls short of the actual value of the goods and/or interest or the actual amount of damages as a result of an insufficient declared value of the client.

6.8 Invalidity of the exemptions and limitations of liability

6.8.1 The above exemptions and limitations of liability stipulated in subsections 6.3 to 6.5 shall not apply if

- a. the damage is attributable to an action or negligence which BLG, its employees (in performance of their duties) or other persons employed by BLG to perform its work have committed intentionally or thoughtlessly and in the awareness that damage would probably occur, or
- b. an injury to life, body or health has occurred.

6.9 Statutes of limitation

6.9.1 Claims directed against BLG on the basis of damage that is attributable to an intentionally committed action or negligence on the part of BLG shall expire by limitation in accordance with the legal regulations.

6.9.2 All claims against BLG because of a loss, depreciation in value or damage to the goods or otherwise improper treatment or delivery of the goods shall expire by limitation after a period of one year after delivery or loading of the goods. In the case of goods that are lost, the limitation period begins at the time at which they were scheduled to be delivered or loaded.

6.9.3 Claims other than those specified in subsections 6.8.1 and 6.8.2, no matter on what legal grounds, shall expire by limitation one year after they came into being and the creditor learned of the circumstances on which the claim was based and/or after the time at which the creditor should have received such knowledge without gross negligence.

6.9.4 The limitation that comes into force according to subsections 6.8.2 and 6.8.3 shall extend to contractual as well as non-contractual claims of any kind.

7. Final provisions

7.1 Rights of lien and rights of retention

7.1.1 BLG shall have a right of lien and right of retention on the goods supplied to it because of all due and non-due accounts receivable owed to BLG by its client, for whose account the goods are stored. This right shall also extend to the amounts deposited in place of the goods as well as to claims that take the place of goods as compensation because of damage due to fire or other reasons. Claims of the kind indicated in the previous clause shall be regarded as assigned to BLG when they come into existence.

If the debtor is in arrears, BLG shall have the right, after having sent a reminder that had no effect, to sell without further formalities as much of the goods as it deems necessary to satisfy its claims. The sale without formality can also take place if the debtor cannot be ascertained. Instead of the deadline of one month as stipulated in Section 1234 of the German Civil Code (BGB), a deadline of two weeks shall apply in all cases.

7.2 Jeopardized claim for payment

If it becomes apparent that a BLG claim for payment is jeopardized by deficient capacity for performance on the part of the client, it shall have the right to call due all accounts receivable not yet due from the entire business relationship to the extent it has already rendered its service. This shall also apply if it has accepted a bill of exchange or check. A claim for payment is jeopardized if a bank or credit inquiry agency has suggested the credit unworthiness of the client. The same shall apply if the client is in arrears with two or more invoices. In this case BLG shall have the right to set a reasonable deadline for the client in which the latter must, at its option, either make payment or provide security step by step in return for performance of the still outstanding services. Setting of an extended deadline shall be unnecessary in the event of cessation of payment or overdebtedness on the part of the client.

7.3 Setting-off

The client shall not be permitted to set off the fees owed to BLG with counterclaims that are contested by BLG and have not been legally established or to exercise a right to retention because of such counterclaims.

7.4 Application of law, place of performance and place of jurisdiction

7.4.1 German law shall apply to all legal relations between BLG and its clients.

7.4.2 The place of performance is Bremen.

7.4.3 The place of jurisdiction for all legal disputes arising from or in connection with the contractual relationship is Bremen for all parties concerned. Bremen shall be the exclusive place of jurisdiction for all claims against BLG.

7.5 Possible partial invalidity

Should any provisions of these GTCB be or become wholly or partially invalid, this shall have no impact on the effectiveness of the other provisions of the contract. In this case the contracting parties shall be required to amend the contract in such a way that

the ineffective provisions are replaced by new provisions that most closely approximate to the desired business purpose.

7.6 Entry into force

The provisions of these GTCB shall become effective as of January 1, 2005. After December 31, 2004 the GTCB of June 1, 2000 shall become void.