



## TERMS AND CONDITIONS OF SERVICE AGREEMENT

A. WHEREAS, the term "CUSTOMER" shall include the terms "exporter, importer, sender, receiver, owner, consignor, transferor, transferee" and such other designation that common sense and accepted commercial usage shall dictate, of the shipments facilitated by EURO CARGO per the agreement herein and those incorporated by reference in Paragraphs B. and C. immediately below;

B. WHEREAS, the parties have entered into some or all of the following agreements which are incorporated by reference herein and which are subject to all the provisions contained in this Agreement, to wit: Credit Application, Credit Terms and Conditions, Customs Forms Information Agreement, Customs Rules on Discharge of Importer's Liability for Duties, Power of Attorney, Cargo Insurance Agreement, Warehouse Receipt Agreement, and Freight Distribution Agreement;

C. WHEREAS, there may be agreements not listed in the preceding paragraph which may be entered into by the parties in the future which reference this agreement; and such future agreements are expressly incorporated herein and are therefore subject to all this provisions contained in this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and together with and for other consideration, the value and sufficiency of which is acceptable to the parties hereto, EURO CARGO and the CUSTOMER agree as follows:

1. Services by Third Parties. Unless EURO CARGO provides cargo handling and shipment carrier services, any loss, damage, expense or delay that occurs during such activity, EURO CARGO assumes no liability as a carrier and is not to be held responsible for any loss, damage, expense or delay to the goods to be forwarded or imported except as provided in paragraph 8 and subject to the limitations of paragraph 8 and 9 below. EURO CARGO undertakes only to use reasonable care in the selection of carriers, truck men, lighter men, forwarders, customs brokers, agents, warehousemen and others to whom it may entrust the goods for transportation, cartage, handling and/or delivery and/or storage or otherwise. When EURO CARGO carries, stores or otherwise physically handles the shipment, or performs customs brokerage and warehouse duties including but not limited to freight distribution services, it does so subject to the limitation of liability set forth in paragraph 8 below unless a separate bill of lading, airway bill or other contract of carriage is issued by EURO CARGO. If a Warehouse Receipt Agreement has been entered into between EURO CARGO and the CUSTOMER, such Warehouse Receipt Agreement provisions shall govern warehousing and distribution services together with the limits of liability contained therein; however, said Warehouse Receipt Agreement is also subject to paragraphs 8 to 20 herein.

2. Liability Limitation of Third Parties. EURO CARGO is authorized to select and engage carriers, truck men, lighter men, forwarders, customs brokers, agents, warehousemen and others, as required, to transport, store, deal with and deliver the goods, all of whom shall be considered as the agents of the CUSTOMER, and the goods may be entrusted to such agencies subject to all conditions as to limitation of liability for loss, damage, expense or delay and to all rules, regulations, requirements and conditions, whether printed, written or stamped, appearing in bills of lading, receipts or tariffs issued by such carriers, truck men, lighter men, forwarders, customs brokers, agents, warehousemen and others. EURO CARGO shall under no circumstances be liable for any loss, damage, expense or delay to the goods for any reason whatsoever when said goods are in custody, possession or control of third parties selected by EURO CARGO to forward, enter and clear, transport or render other services with respect to such goods. If EURO CARGO performs any such services itself, EURO CARGO is subject to the limitation of liability set forth in paragraphs 8 and 9 below.

3. Choosing Routes or Agents. Unless express instructions in writing are received from the CUSTOMER, EURO CARGO has complete freedom in choosing the means, route and procedure to be followed in the handling, transportation and delivery of goods. Advice by EURO CARGO to the CUSTOMER that a particular person or firm has been selected to render services with respect to the goods shall not be construed to mean that the EURO CARGO warrants or represents that such person or firm will render such services.

4. Quotations Not Binding. Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges given by the EURO CARGO to the CUSTOMER are for informational purposes only and are subject to change without notice and shall not under any circumstances be binding upon EURO CARGO unless EURO CARGO, in writing, specifically undertakes the handling or transportation of the shipment at a specific rate.

5. Duty to Furnish Information. (a) On an import at a reasonable time prior to entering of the goods for U.S. Customs, the CUSTOMER shall furnish to EURO CARGO invoices in proper form and other documents necessary or useful in the preparation of the U.S. Customs entry and, also, such further information as may be sufficient to establish, inter alia, the dutiable value, the classification, the country of origin, the genuineness of the merchandise and any mark or symbol associated with it, the CUSTOMER'S right to import and/or distribute the merchandise, and the merchandise's admissibility, pursuant to U.S. law or regulation. If the CUSTOMER fails in a timely manner to furnish such information or documents, in whole or in part, as may be required to complete U.S. Customs entry or comply with U.S. laws or regulations, or if the information or documents furnished are inaccurate or incomplete, EURO CARGO shall be obligated only to use its best judgment in connection with the shipment and in no instance shall be charged with knowledge by the CUSTOMER of the true circumstances to which such inaccurate, incomplete, or omitted information or document pertains. Where a bond is required by U.S. Customs to be given for the production of any document or the performance of any act, the CUSTOMER shall be deemed bound by the terms of the bond notwithstanding the fact that the bond has been executed by EURO CARGO as principal, it being understood that EURO CARGO entered into such undertaking as an accommodation to the CUSTOMER, and the CUSTOMER shall indemnify and hold EURO CARGO harmless for the consequences of any breach of terms of the bond. EURO CARGO reserves the right not to execute or undertake a bond on behalf of the CUSTOMER.



(b) On an export at a reasonable time prior to the exportation of the shipment, the CUSTOMER shall furnish to EURO CARGO the commercial invoice in proper form and number, a proper consular declaration, weights, measures, values and other information in the language of and as may be required by the laws and regulations of the U.S. and the country of destination of the goods.

(c) On an export or import EURO CARGO shall not in any way be responsible or liable for increased duty, penalty, fine or expense unless caused by the gross negligence of EURO CARGO, in which event its liability to the CUSTOMER shall be governed by the provisions of paragraphs 8-10 below. EURO CARGO shall not be liable for any consequential damages related to its activities herein. The CUSTOMER shall be bound by and warrants the accuracy of all invoices, documents and information furnished to EURO CARGO by the CUSTOMER or its agent for export, entry or other purposes and the CUSTOMER agrees to indemnify and hold harmless EURO CARGO against any increased duty, penalty, fine or expense including attorney's fees and court related costs, resulting from any inaccuracy, incomplete statement, omission or failure to make timely presentation, even if not due to any negligence of the CUSTOMER.

6. Declaring Higher Valuation. In as much as truckers, carriers, warehousemen and others to whom the goods are entrusted (bailees), usually limit their liability for loss or damage unless a higher value is declared and a charge based on such higher value is agreed to by said bailees. EURO CARGO must receive specific written instructions from the CUSTOMER to pay such higher charge based on valuation and the bailees must accept such higher declared value; otherwise the valuation placed by the CUSTOMER on the goods shall be considered solely for export or customs purposes and the goods will be delivered to bailees subject to the limitation of liability set forth herein in paragraphs 8-10 below with respect to any claim against EURO CARGO and subject to the provisions of paragraph 2 above.

7. Insurance. EURO CARGO will make reasonable efforts to effect marine, fire, theft and other insurance upon the goods only after specific written instructions have been received by EURO CARGO in sufficient time prior to shipment from point of origin, and the CUSTOMER at the same time states specifically the kind and amount of insurance to be placed. EURO CARGO does not undertake or warrant that such insurance can or will be placed. Unless the CUSTOMER has its own open marine policy and instructs EURO CARGO to effect insurance under such policy, insurance is to be effected with one or more insurance companies or other underwriters to be selected by EURO CARGO. Any insurance placed shall be governed by the certificate or policy issued and will only be effective when accepted by such insurance companies or underwriters. Should and insurers dispute its liability for any reason, the insured shall have recourse against the insurer only and EURO CARGO shall not be under any responsibility or liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rates as that charged or paid to EURO CARGO by the Customer, or that the shipment was insured under a policy in the name of EURO CARGO. Insurance premiums and the charge by EURO CARGO for arranging the same shall be at the CUSTOMER'S expense. If for any reason the goods are held in warehouse, or elsewhere, the same will not be covered by any insurance, unless EURO CARGO receives written instructions from the CUSTOMER. Unless specifically agreed in writing, EURO CARGO assumes no responsibility to effect insurance on any export or import shipment which it does not handle. With respect to shipments it does handle, EURO CARGO is under no obligation to provide or procure any kind of insurance coverage for the CUSTOMER

8. Limitations of Liability for Loss, etc (a) The CUSTOMER agrees, that with respect to customs brokerage, freight forwarding and distribution services related thereto, that EURO CARGO shall only be liable for any loss, damage expense or delay to the goods

resulting from the gross negligence of EURO CARGO; such liability shall be limited to an amount equal to the lesser of fifty dollars (\$50.00) per entry or shipment or the fee(s) charged for services, provided that, in the case of partial loss, such amount will be adjusted, pro rata.;

(b) With respect to warehouse storage and freight distribution services, limitations of liability for loss shall be as set out in the Warehouse Receipt Agreement;

(c) Where the EURO CARGO issues its own bill of lading and receives freight charges as its compensation, CUSTOMER has the option of paying a special compensation and increasing the limit of EURO CARGO's liability up to the shipment's actual value; however, such option must be exercised by written agreement, entered into prior to any covered transaction(s), setting forth the limit of EURO CARGO's liability and the compensation received; and

(d) Customer agrees that EURO CARGO shall, in no event, be liable for consequential, punitive, statutory or special damages in excess of the monetary limit provided for in sections (a), (b), and (c) of this paragraph.

9. Presenting Claims. EURO CARGO shall not be liable under paragraph 8 for any claims not presented to it in writing within 60 days of either the date of loss or incident giving rise to the claim, **TIME IS OF THE ESSENCE**; no suit to recover for any claim or demand hereunder shall be maintained against EURO CARGO unless instituted within six (6) months after the presentation of the said claim, **TIME IS OF THE ESSENCE**. Any such suit is also subject to paragraph 20 of this AGREEMENT.

10. Advancing Money. The Company shall not be obliged to incur any expense, guarantee payment or advance any money in connection with the importing, forwarding, transporting, insuring, storing or cooperating of the goods. The Company shall be under no obligation to advance freight charges, customs duties or taxes on any shipment, nor shall any advance by the Company be construed as a waiver of the provisions hereof.

11. Indemnification for Freight, Duties. In the event that a carrier, other person or any governmental agency makes a claim or institutes legal action against EURO CARGO for ocean or other freight, duties, fines, penalties, liquidated damages or other money due arising from a shipment of goods of the CUSTOMER, the CUSTOMER agrees to indemnify and hold harmless EURO CARGO for any amount the COMPANY may be required to pay such carrier, other person or governmental agency together with reasonable expenses, including attorney's fees and court costs, incurred by EURO



CARGO in connection with defending such claim or legal action and obtaining reimbursement from the CUSTOMER. The confiscation or detention of the goods by any governmental authority shall not affect or diminish the liability of the CUSTOMER to EURO CARGO to pay all charges or other money due promptly on demand.

12. C.O.D. Shipments. Goods received with CUSTOMER's or other person's instructions to Collect on Delivery (C.O.D.) by drafts or otherwise, or to collect on any specified terms by time drafts or otherwise, are accepted by EURO CARGO only upon the express understanding that the EURO CARGO will exercise reasonable care in the selection of a bank, correspondent, carrier or agent to whom it will send such item for collection, and EURO CARGO will not be responsible for any act, omission, default, suspension, insolvency or want of care, negligence, or fault of such bank, correspondent, carrier or agent, not for any delay in remittance lost in exchange, or during transmission, or while in the course of collection.

13. General Lien on Any Property. EURO CARGO shall have a general lien on any and all property (and documents relating thereto) of the CUSTOMER, in its possession, custody or control or in route, for all claims for charges, expenses or advances incurred by the EURO CARGO in connection with any shipments of the CUSTOMER and if such claim remains unsatisfied for fifteen (15) days after demand for its payment is made, EURO CARGO may sell at public auction or private sale, upon ten (10) days written notice to the CUSTOMER, via certified mail, return receipt requested, the goods, wares and/or merchandise, or so much thereof as may be necessary to satisfy such lien, and apply the net proceeds of such sale to the payment of the amount due to the Company. Any surplus from such sale shall be transmitted to the Customer, and the Customer shall be liable for any deficiency in the sale. Should there be other statutory liens or other remedies available to EURO CARGO, EURO CARGO does not waive any of its rights or remedies herein by using such other remedies.

14. Compensation to EURO CARGO. The compensation to EURO CARGO for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by EURO CARGO to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends or other revenue received by EURO CARGO from carriers, insurers and others in connection with the shipment. On ocean exports, upon request, EURO CARGO shall provide a detailed breakout of the components of all charges assessed and a copy of each pertinent document relating to these charges. Based on this agreement, any legal activities undertaken by EURO CARGO against the CUSTOMER for monies due to EURO CARGO, or for damages suffered by

EURO CARGO resulting from a breach of this agreement by the CUSTOMER or any other agreement listed and/or incorporated into this agreement per Paragraphs B and C. above, or for enforcing a lien EURO CARGO may have against the goods and other assets of the CUSTOMER, or for injunctive relief against the CUSTOMER, and for any other claim EURO CARGO may have against the CUSTOMER, the CUSTOMER shall be liable for EURO CARGO's expenses in enforcing all said rights or seeking a declaration of any rights or obligations under this agreement including reasonable attorney fees, and the costs and expenses incurred.

14.1 All charges for any EURO CARGO services are due upon departure or arrival at the destination offices by COD. No personal or company checks accepted (unless a credit line and terms has been previously established). If any financing or credit is granted to either the CUSTOMER or a third party assigned by the CUSTOMER, such as a Customs Broker, charges must be paid according to the credit terms of the transaction. In the case the third party assigned to pay on behalf of The CUSTOMER does not pay according to the terms of the transaction, The CUSTOMER is ultimately responsible for those charges to EURO CARGO. The CUSTOMER agrees to pay both the outstanding obligations and a finance charge of 1.5 % (applied monthly) on any outstanding balances not paid according to the agreed credit terms. Failure to pay within said time period may cause a revocation of the trade credit account.

In the event the Account becomes delinquent and is turned over for collections, the CUSTOMER agrees to pay all reasonable attorneys' and collectors' fees, plus any other collection/court costs. THIS AGREEMENT IS IN ADDITION TO AND NOT IN SUBSTITUTION OF THE RIGHTS AND OBLIGATIONS BETWEEN THE PARTIES AS SET OUT IN THE TERMS AND CONDITIONS OF THE SERVICE AGREEMENT BETWEEN THE PARTIES.

15. No responsibility for Governmental Requirements. It is the responsibility of the CUSTOMER to know and comply with the marking requirements of the U.S. Customs Service, the regulations of the U.S. Food and Drug Administration, U.S. Fish and Wildlife Service, and all other requirements, including regulations of federal, state and/or local agencies pertaining to the merchandise. EURO CARGO shall not be responsible for action taken or fines or penalties assessed by any governmental agency against the shipment because of the failure of the CUSTOMER to comply with the law or the requirements or regulations of any governmental agency or with a notification issued to the CUSTOMER by any such agency.

16. Indemnify Against Liability Arising from the Importation of Merchandise. The CUSTOMER agrees to indemnify and hold EURO CARGO harmless from any claims and/or liability arising from the importation of merchandise which violates any federal, state and/or other laws or regulations including but not limited to attorney's fees; and further, the CUSTOMER agrees to indemnify and hold EURO CARGO harmless against any and all liability, loss, damages, costs, claims and/or expenses, including but not limited to attorney's fees, which EURO CARGO may hereafter incur, suffer or be required to pay by reason of claims by any government agency or private party.



In the event that any action, suit or proceeding is brought against EURO CARGO by any government agency or any private party, EURO CARGO shall give notice in writing to the CUSTOMER by mail at its address on file with EURO CARGO. Upon receipt of such notice, the CUSTOMER at its own expense, shall defend against such action and take all steps as may be necessary or proper to prevent the obtaining of a judgment and/or order against EURO CARGO. The CUSTOMER also agrees to indemnify EURO CARGO for its reasonable attorney fees and associated costs in defending itself in said action should EURO CARGO, at its sole discretion, choose to defend itself.

17. Loss, Damage or Expense Due to Delay. Unless the services to be performed by EURO CARGO on behalf of the CUSTOMER are delayed by reason of the gross negligence of EURO CARGO, EURO CARGO shall not be responsible for any loss, damage or expense incurred by the CUSTOMER because of such delay. In the event EURO CARGO is at fault, as aforesaid per gross negligence, its liability is limited in accordance with the provisions of paragraphs 8-9 above.

18. Cyber Security. Euro Cargo will use all reasonable practices and security procedures necessary to protect all electronic data that is transmitted between parties in the supply chain by (but not limited to) electronic transmission or the physical delivery of electronically recorded data. Such protective measures shall include, but not be limited to, use of up-to-date anti-virus software to guard against viruses, worms, Trojan horses or other malware that may permit unauthorized access to data or may compromise the confidentiality, integrity or authorized accessibility of data or associated information systems of the other party. No party in the supply chain shall introduce into electronic data transmitted between them any virus, worm, Trojan horse or other malware that may permit unauthorized access to data or may compromise the confidentiality, integrity or authorized accessibility of data or associated information systems of the other party. Euro Cargo agrees to notify all parties when any system that may access, process, or store Confidential Information is subject to unintended access. Unintended access includes compromise by a computer worm, search engine web crawler, password compromise or access by an individual or automated program due to a failure to secure a system or adhere to established security procedures.

19. Entire Agreement. This agreement and all the other agreements referred to in this agreement constitute the final, complete and exclusive statement of the terms of the agreement between the parties and supersedes all prior and contemporaneous understandings or agreements. This agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No party has been induced to enter into this agreement by, nor is any party relying on any representation, understanding, other agreement, commitment or warranty outside those expressly set forth in this agreement.

20. Construction of Terms; Severability; Waiver. The foregoing terms and conditions shall be construed according to the laws of the State of New York. If any provision of this receipt, or any application thereof, should be construed or held to be void, invalid or unenforceable, by order, decree or judgment of a court of competent jurisdiction, the remaining provisions of this receipt shall not be affected thereby but shall remain in full force and effect. Warehouseman's failure to require strict compliance with any provision of the Warehouse Receipt shall not constitute a waiver or estoppel to later demand strict compliance with that or any other provision(s) of this agreement.

21. Consent to Jurisdiction and Forum Selection. The parties hereto agree that all actions and proceedings arising in connection with this agreement and all agreements set out in Paragraphs B. and C. above, shall be tried and litigated exclusively in the State and Federal Courts located in the City of New York, State of New York. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation between the parties with respect to or arising out of this agreement in any jurisdiction other than that specified in this paragraph. Each party hereby waives any right it may have to assert the doctrine of forum non-conveniens or similar doctrine or to object to venue with respect to any proceeding brought in accordance with this paragraph, and stipulates that the State and Federal courts located in the City of New York, State of New York, shall have in personam jurisdiction and venue over each of them for the purpose of litigating any dispute, controversy, or proceeding arising out of or related to this agreement. Each party hereby authorizes and accepts service of process sufficient for personal jurisdiction in any action against it as contemplated by this paragraph by registered or certified mail, return receipt requested, postage prepaid to its address as set forth in the opening paragraph of this agreement. Any final judgment rendered against the party in any action or proceeding shall be conclusive as to the subject of such final judgment and may be enforced in other jurisdictions in any manner provided by law.