

TERMS AND CONDITIONS OF CARRIAGE

1. Applicable terms and conditions: This Sea Way Bill of Lading has been issued in pursuance of the Service Contract entered into by and between the Shipper and the Carrier for the carriage of the goods exported by the Shipper from the Port of Loading to the Port of Destination, which terms and conditions are hereby incorporated as part of this Sea Way Bill of Lading. Parties to the contract have stated that they regard that agreement as a Contract for the carriage of goods by sea (Contrato de transporte marítimo), and therefore it shall be subject to the provisions of Book Third of the Chilean Code of Commerce, Title V, § 3, and other applicable provisions.

2. Payment of freight and surcharges: Freight and surcharges contained in this Sea Way Bill of Lading shall be paid by the Shipper, or by the consignee, endorsee or holder of the Sea Way Bill of Lading, when the Sea Way Bill of Lading is issued on a "freight collect" basis. Payment shall be made before and as a precondition to the receipt and takeover of the carried goods at their destination. The average Chilean bank interests charged for short term loans shall accrue in case of demurrage in the payment of any sum due to the Carrier under this Sea Way Bill of Lading, by the mere delay, without need of judicial or off court request or communication, nor of any other formality.

3. Lien: The Carrier shall have a lien on the goods and on any documents relating thereto for all sums payable to the Carrier by the Shipper, consignee or other cargo interest under Contract and/or this Sea Way Bill of Lading and/or otherwise howsoever arising in respect of the carriage, and for general average and salvage contributions to whomsoever due. The Carrier may exercise any lien provided in this clause at any time and any place at its sole discretion, whether or not the carriage is completed. Such liens, and any other lien provided by any applicable law, shall extend to the cost of exercising the lien and of recovering the sums due including attorney's fees, shall not be lost by delivery of the goods, and may be enforced by public or private sale in any manner and at any place at the Carrier's discretion, without notice to the Shipper, consignee or cargo interests.

4. Selection of vessel, route, avoidance of perils of the seas and sub-contracting: The Carrier may at any time, (but is not obliged to), and without notice to the Shipper, consignee or cargo interests: (1) use or substitute any vessel and/or other means of carriage or storage whatsoever; (2) transfer and/or forward the goods by any means and from one conveyance to another, including, without limitation, carrying containers on or goods deck, trans-shipping or carrying goods in whole or in part on any vessel or any other means of transport whatsoever whether operated by the Carrier or others and even though trans-shipment or forwarding of the goods may not have been contemplated before; (3) load, unload, unpack, unstuff, re-stuff, inspect, reload or repack the goods and store them at any port(s) or place(s) and transfer them at or between any port(s) or place(s); (4) proceed at any speed via any route, whether or not to usual, customary or advertised ports of call, in or out of the advertised, direct, geographical or ordinary route or order (even if such route or order is named in the Sea Way Bill of Lading); (5) call at any port(s) or place(s) (whether or not named in the Sea Way Bill of Lading) in any order, once or more often; (6) sail with or without pilots, tow and be towed, save or attempt to save life or property, adjust equipment or instruments, pick up or land persons, dry-dock, go to wharves or repair yards, shift berths, take fuel or stores or remaining in ports, or exercise a lien or any power of sale hereunder; (7) comply with any order, recommendations or directions of any government(s) or international organization(s) or authority/authorities or persons or body acting or purporting to act with the authority of such government(s) or international organization(s) or authority/authorities; (8) omit calling at any port(s) or place(s), once or more often. At any time and in any situation whatsoever (whether or not existing at the time when this contract was made or the goods were received for carriage), including but not limited to political disturbances, strikes or work stoppages or closures or blockages of waterways, which in the judgment of the Carrier or master of any vessel is likely to give rise to risk of capture, seizure, detention, damage, delay or di-

sadvantage to any vessel, the goods any other things and/or persons on board, the Carrier or master shall, without prior notice to the Shipper, consignee or cargo interests, in addition to the other rights contained in this Contract and ensuing Sea Way Bill of Lading, have the right to stop or delay the carriage of the goods, awaiting the removal of any such hindrance or obstruction, or to return the goods to the port of loading or store them ashore or afloat upon the terms of this Contract and ensuing Sea Way Bill of Lading and endeavor to forward them as soon as possible, to proceed via any route, or to transfer the goods to any vessel offshore and/or forward them by any means of conveyance to destination or to abandon the carriage of the goods and place them at the disposal of the cargo interests at any place or port, whereupon the responsibility of the Carrier in respect of such goods shall cease. The Carrier shall be entitled to subcontract on any terms the whole or any part of the carriage. Anything done in accordance with this clause or any delay arising therefrom shall be deemed to be within the scope of the carriage herein and the performance of the Contract by the Carrier, and shall not be deemed as a deviation. The terms and conditions of Contract and the ensuing Sea Way Bill of Lading shall continuously cover the entire carriage.

5. Custody of the goods and liability for their loss, damage or delay: Carrier shall be responsible for the custody of the goods from their receipt up to their delivery, whether they occur in the ports or in any other place (of receipt or delivery), and shall be responsible of their loss, damage or delay, in accordance to the applicable provisions of § 3 "Contract for the carriage of goods by sea" of Title V of the Book Third of the Chilean Code of Commerce, including Carrier's right to limit its liability in the event of loss, damage or delay.

6. Shipper shall be bound, warrantor and liable for: (a) the completeness, correctness and truthful description and particulars of the goods conveyed to the Carrier; (b) providing to the Carrier, vessel owner/operators or their agents all certificates, permissions and documents required to accompany the goods and otherwise required in respect of their carriage; (c) the goods will throughout the carriage comply with all regulations or requirements whatsoever of any kind imposed in respect of the goods by any applicable national law or by customs, port or other authorities at any port(s) or place(s) whatsoever, including (without limitation) during transshipment; (d) the goods are lawful goods and do not contain anything illegal (including without limitation drugs, contraband, weapons, stowaways, or anything intended for use in connection with terrorist activity) and will not cause any loss damage or expense to the carrier, any vessel, or any other cargo during the carriage, and (e) indemnifying and holding the Carrier harmless against all claims, losses, damage, demurrage, costs and payments of whatsoever nature (including, without limitation, taxes, fines, penalties, storage charges, duties, transshipment expenses or freight in respect of any additional carriage undertaken) and any other consequences whatsoever, arising from breach of any of the above mentioned obligations and liabilities or any other cause whatsoever in connection with the goods or their carriage for which the Carrier is not responsible.

7. Shipper has undertaken: (a) to provide the Carrier with the required written notice of the nature of the goods to be carried and the necessary instructions as to their required care. The Shipper has warranted that any such notice and instructions are accurate, complete and appropriate for the carriage of the goods, and that the Carrier shall be entitled to rely on them when determining how properly to care for the goods; (b) that all the goods to be carried will be presented to the Carrier at the correct condition required for its carriage, and the Carrier may (but is not obliged to do so) at any time before loading refuse to carry any good which it believes do not comply with this requirement. In any event, the Carrier shall have no liability whatsoever for any consequences of goods being presented at a different condition to that required for carriage; (c) that any container which has not been packed by or on behalf of the Carrier shall be presented to the Carrier with the stowage, stuffing and lashing properly set, and the Carrier shall not be responsible for any

consequences of a failure to comply with this requirement, and (d) not to tender for carriage any goods whose condition is not fit and suitable for the intended carriage and that if such goods are nevertheless carried, any loss or damage caused by such unfitness or unsuitable conditions will be at the Shipper's, consignee or cargo interest's sole risk and without responsibility of the Carrier howsoever arising.

8. General average: General Average shall be settled according to the York/Antwerp Rules of 1994, this covering all goods carried on or under deck. General Average shall be adjusted at any port or place as selected by the Carrier. As to the matters not provided for by those rules, the laws, rules and usages at the place of adjustment shall be observed. The provisions applicable to General Average shall prevail upon and override those governing the contract for the carriage of goods by sea, specially, those contained in The Hamburg Rules and/or Chilean Code of Commerce. The cost of handling on board, re-stowing, reloading, discharging goods or containers, fuel or stores, whether at port or place of loading, call or refuge, shall be admitted as General Average when the handling or discharge was necessary for the common safety or to enable the vessel to be repaired and/or remedied, if the repairs or re-stowage were necessary for the safe prosecution of the voyage. General average in respect of a vessel not operated by the Carrier shall be adjusted according to the requirements of the operator of that vessel. Security including a cash deposit as the Carrier may deem sufficient to cover the estimated contribution of the goods in General Average and any salvage or special charges thereon shall, if required, be submitted to the Carrier prior to delivery of the goods. The Carrier shall be under no obligation to exercise any lien for General Average contribution due to the Shipper, consignee or cargo interests.

9. Both-to-blame collisions: If a vessel carrying the goods comes into collision with another ship as a result of the negligence of the other ship and any act, neglect or default of the master, mariner, pilot or the servants of the Carrier in the navigation or the management of such vessel, the Shipper, consignee or cargo interests will indemnify the Carrier against all loss or liability to the other or non-carrying ship or her owners insofar as such loss or liability represents loss of or damage to, or any claim whatsoever, of the Shipper, consignee or cargo interests, paid or payable by the other or non-carrying ship or her owners to the latter and set-off, recouped or recovered by the other or non-carrying ship or her owners as part of any claim against such vessel, its owners or the Carrier. The foregoing provisions shall also apply where the owners, operators or those in charge of any ship or ships or objects other than, or in addition to, the colliding ships or objects are at fault in respect of a collision or contact.

10. Governing law and jurisdiction: This Sea Way Bill of Lading shall be governed by the Law of the Republic of Chile, with the exception of its Conflicts of Law provisions that would make applicable another legislation. Any dispute, controversy or difficulty arising in connection to this Sea Way Bill of Lading, including but not limited to its existence, validity, interpretation, termination, fulfillment, breach, etc. shall be subject to arbitration, before one single arbitrator who shall award it applying the law and this Sea Way Bill of Lading (Arbitro de Derecho). The arbitrator shall be appointed by the parties under common agreement, and failing the parties to reach a name, it shall be appointed by the competent civil court, in which event, the lawyer to be appointed as arbitrator not only shall be registered in the Register of Arbitrators of the Court of Appeals of Santiago, but also shall be (or have been) a Professor of Maritime / Commercial or Civil Law in any School of Law (public or private) of a Chilean University, for 5 years or more. Arbitration shall be conducted in Spanish, in Santiago de Chile and the arbitration award shall be subject to judicial review, as if it were a judgment issued by a civil court. For any purpose related with this Sea Way Bill of Lading, parties settle their domicile in Santiago de Chile and submit to the jurisdiction of the civil courts with venue in Santiago de Chile.