

Standard Conditions of Business (Household Goods)

ADC Logistics Co. Ltd

STANDARD CONDITIONS OF BUSINESS OF ADC Logistics Co. Ltd. (Hereby Referred to as ADC)

1. BINDING EFFECT OF CONDITIONS

- 1.1. All business undertaken by ADC is transacted subject to the Conditions herein set out each of which shall be deemed to be incorporated in and to be a condition of any agreement between ADC and its Customer. ADC is not a common Carrier and will only deal with Goods subject to these Conditions.
- 1.2. Unless otherwise agreed in writing by ADC these Conditions shall override prior negotiations and any other terms referred to in Customers documents of any kind whether past present or future.
- 1.3. No agent or employee of ADC has the authority to alter or vary these Conditions except with its express prior authority.
- 1.4. These Conditions shall be binding on the Receiving Party, the owner of the Goods, the sender, the shipper, and all and any other persons claiming to have an interest in the Goods as if they were the Customer.

2. DEFINITIONS

ADC means ADC Logistics Co. Ltd.;

"Bulky Items" means items which due to their weight, shape or size cannot be carried or deposited by two grown men using lifts without difficulty, and includes billiard tables, strong boxes and safes, aquariums and cabinets, and any large, cumbersome or heavy pieces;

"Carrier" means any Carrier by land, sea or air including but not limited to any ship owners or operators, lightermen, road haulers, operators of canals or land or transport of any type, railways or aircrafts or others and (unless the context forbids) includes all contractors appointed to carry out Destination Services, and all servants and agents of the foregoing agents, representatives and sub-contractors of such Carrier or Carriers and the warehousemen and/or forwarding agents engaged by such Carrier or Carriers;

"Commercial Items" means Goods which are either: -

- a) intended for resale;
- b) of commercial value;
- c) in such quantity as would be deemed to be for commercial use;

"Consolidated" means a shipment of the Goods which takes up less than one steamship container, and would accordingly require such Shipment container to be filled with goods of other customers prior to delivery to

Carrier;

"Containers" means wooden liftvans and steamship containers provided by ADC for carrying the Goods under this contract;

"the Customer" means the party whose name appears as the Customer in the Quotation and includes (unless the context forbids) any or all persons or parties placing the order, accepting the Quotation, and the shipper, sender, consignee, receiver and owner of any Goods making use of or otherwise taking the benefit of any of the service of ADC;

"Delicate Items" means items which may easily break, scratch, damage, tarnish, chip, mar, dent or deteriorate or which may require special care and precautions in handling, transportation and storage such as without limitation, marbles, pianos, antiques, art pieces, electronic items;

"Destination Address" means the address given by the Customer in the Quotation or in subsequent instructions under the heading of "Destination Address", being the place to which the Goods are required by the Customer to be delivered;

"Destination Services" means and includes the services specified in the Quotation and agreed to by the parties to be rendered by ADC contractors at the Destination Address;

"FCL Shipment" means a shipment of a full steamship container load of Goods which requires no consolidation prior to delivery to Carrier;

"Goods" means the items to be packed, stored or transported under this contract as described and referred to in the Quotation and in the Packing List to be compiled either by ADC, or the Customer (as the case may be) and does not include liftvans or containers or other receptacles in which the Goods are transported;

"LCL Shipment" means a shipment of Goods of the Customer which takes up less than one steamship container, and is delivered by ADC to the Carrier to be filled up with goods of other customers of the Carrier prior to shipment;

"Normal Access" means access to the Origin Address and Destination Address; or where no actual address other than a town or city is given at the time of the Quotation, an address within a 30-mile radius from the city/town hall of the named town or city with parking/berthing facilities for the vehicle/vessel available within 20 metres of the access lift; and excludes access to the Origin Address and Destination Address by staircase, shuttling, hoisting, or special equipment, or through windows or by any opening other than through the front or back door of any premises;

"Normal Course of Handling" means packing and unpacking, picking up and delivery, loading and unloading of Goods in an ordinary manner capable of being performed by 2 grown men without special precautions, or labour, power, equipment, machinery, ferry required, and excludes without limitation, shuttling, long carry, stairways handling, delivery to second floor or above, hoisting, heavy lifting, assembling, dismantling, re-delivery, carpentry or electronics work, the connection or disconnection of any circuit, water, power supply, and excludes handling of Bulky Items, Delicate Items and other Special Handling;

"Origin Address" means the address supplied by the Customer as the "Origin Address" in the Quotation or subsequent instructions; and in the absence of such instructions shall be deemed to be the address of the Customer or of the Receiving Party in that order;

"Origin Services" means those services listed in Clause 6 which ADC has undertaken to perform within the territory of PR China under this contract;

"Ordinary Household Effects" means ordinary property and belongings of individuals as usually found in the home, and without prejudice to the foregoing, excludes: -

- a) Commercial Items;
- b) Bulky Items;
- c) Delicate Items;
- d) Goods Requiring Special Handling;

"Receiving Party" means the party named as the "Receiving Party" in the Quotation or other instructions by the Customer and where none is named, shall mean the Customer;

"Special Handling" means any method of handling other than "Normal Course of Handling", and shall without prejudice to the generality of this expression, include handling required for Delicate Items, Bulky Items, Goods which are noxious, explosive, dangerous, inflammable, or of a wasting perishable nature, or likely to cause damage, plants or animals and any life forms, chemical, medicine and drugs, coins, cash, bank notes, cheques, money orders, postal orders, national saving certificates, premium bonds, travel tickets, passports, security manuscripts or documents of any description, unset precious and semiprecious stones and bullion of whatever nature, goods the carriage, export, import, transportation of which requires licenses, quarantine, or special procedures, or disclosures or manifests under the relevant laws of the Origin, Destination, or any other countries in transit;

"the Quotation" means the Quotation rendered by ADC to the Customer on rates of charges applicable to services requested by the Customer based on information supplied by the Customer prior to the Quotation.

- 2.1. The headings to the clauses are for convenience only and have no legal effect.
- 2.2. In these Conditions, if not inconsistent with the subject or text, words importing the singular only shall include the plural number and vice versa, and words importing any gender shall include all genders and vice versa and words importing persons shall include corporations. Clause headings are for convenience only and do not form part of the Conditions.

3. BASIS OF CONTRACT

- 3.1. ADC contracts as a principal only in so far as rendering Origin Services.
- 3.2. For all Destination Services, ADC is acting in the capacity of agents for the Customer, and it shall in no way incur liability in respect of such part of the contract or such services. The Customer hereby appoints ADC as his sole agent with authority to issue instructions and enter binding contracts on his behalf, and undertakes to ratify and indemnify ADC for all acts by ADC in relation to execution of this contract.
- 3.3. The acceptance by the Customer of the Quotation by signing, payment of deposit, agreeing with ADC on a packing date, or any other act referable to the contents of the Quotation shall form a binding contract between the Customer and ADC subject to the terms of these Conditions for the services as set out in the Quotation based on the rates of charges quoted therein.
- 3.4. As the Quotation is rendered based on information supplied by the Customer immediately prior thereto, the rates quoted necessarily excludes contingency charges and expenses arising from additional services required subsequently, or necessitated by circumstances. The Customer undertakes to pay all such damages and expenses.

4. CUSTOMERS WARRANTY

The Customer entering into transactions of any kind with ADC expressly warrants that: -

- a) he is the owner or the authorized agent of the owner of the Goods to which this contract relates;
- b) he is authorized to accept and are accepting these Conditions not only for himself but also as agents for and on behalf of all other persons who are or may thereafter become interested in the Goods;
- c) all information given by the Customer to ADC and/or to relevant bodies in relation to this contract are full and accurate in all material respects and he undertakes to notify ADC of any changes in circumstances, which may affect the performance of this contract by ADC;
- d) the Customer expressly authorizes ADC to enter contracts with Carriers on his behalf for performance of the Destination Services, and authorizes ADC to render Quotations and bills to the Customer to be inclusive of disbursements and ADC charges.

5. QUOTATION

- 5.1. Quotations are given on the basis of immediate acceptance and subject to the right of withdrawal or revision, and in any event, shall be valid for only 30 days from the date of our Quotation.
- 5.2. Quotations and charges shall be subject to revision with or without notice whenever any changes occur in the rates of freight, insurance premium or other charges applicable to the Goods.
- 5.3. Unless otherwise specified, the rates given in the Quotation shall cover to one journey from one Origin Address to one Destination Address with Normal Access for the handling of Ordinary Household Effects in Normal Course of Handling. Unless otherwise agreed, all taxes, duties, port charges, insurance premium, penalties and extra services arising on the shipment are for the Customers account.

- 5.4. ADC reserves the right to refuse handling of Commercial Items, Bulky Items, Delicate Items, Goods requiring Special Handling, delivery without Normal Access, and/or to charge extra for such services. The Customer shall disclose such factors to ADC as soon as he is aware of the same and shall indemnify ADC for all costs, expenses, liabilities, claims demands incurred or suffered from ADC dealing with such items.
- 5.5.
- a) Should the Customer nevertheless deliver to ADC any Goods which causes or results in Special Handling by or requires ADC otherwise than under prior written arrangements for Special Handling, he shall be liable for all costs, charges, expenses, loss or damage incurred, caused by or to or in connection therewith including damage to other goods and shall indemnify ADC and all Carriers against all penalties, claims, damages, costs and expenses arising there from or in connection therewith and the Goods may be destroyed or otherwise dealt with at the sole discretion of ADC or any other person in whose custody they may be at the relevant time.
 - b) If such Goods are accepted under arrangements for Special Handling previously made in writing, they may nevertheless be so destroyed or otherwise dealt with if they become dangerous or a hazard to other goods or property or persons. The expression goods "likely to cause damage" includes goods likely to harbour or encourage vermin or other pests.
- 5.6. Charges will be calculated based on the actual gross weight and/or gross external volume of the Goods and their Containers and other packaging after loading and the actual extent of services required or rendered.
- 5.7. ADC shall be entitled to demand for full payment of expected charges prior to arranging any shipment.
- 5.8. Unless otherwise specified, all rates quoted shall relate only to the services specified in the Quotation and shall exclude ferry fees, insurance, container rental charges, storage and handling charges into and out of storage facilities and within warehouse, demurrage, fumigation charges, steam-cleaning charges, censorship fees, quarantine inspection fees, Customs brokerage fees, handling and trucking charges for transferring to commercial bonded warehouse, Customs or agricultural or animal examination charges, and extra attendance and services arising there from, Customs duties, VAT, GST or any forms of taxes and any other charges not quantifiable or specified at the date of Quotation.
- 5.9. Despite rendering of final bill, ADC shall be entitled to reimbursement for all extra expenses incurred in performance of the contract, including without limitation Customs duties, storage, demurrage, Special Handling.
6. ORIGIN SERVICES
- 6.1. ADC contracts as principal to perform the Origin Services subject to these Conditions. ADCs obligations shall be fully discharged upon performance of such of the following services as may be stipulated in the Quotation: -
- a) The packing of the Goods as requested by the Customer at the agreed time and place;
 - b) Compiling a Packing List for the Goods;
 - c) Loading and transportation of the Goods to Carriers at Origin upon completion of packing;
 - d) Arranging payment of freight cost to Carriers;
 - e) Preparation of documents for Customs clearance at Port of Destination.
- 6.2. In this connection, ADC expressly disclaims any expertise in or obligation to: -
- a) dismantle, re-assemble, carry out carpentry works, disconnect power supply, prepare any electrical, electronic devices or appliances or live substances for transport;
 - b) verify any descriptions, state and condition, style, model, colour, or for assembly, dismantling or repacking, unwrapping or for any payment of the Goods delivered to ADC by third parties for onward transport.
- 6.3. When collecting or delivering Goods, ADC shall not be liable for damage to any property of the Customer other than the Goods, and for any damage to property, person, premises, road ways, pipes, bridges, approaches, or to any access ways caused by the weight of the vehicle and load (if any) or the nature of the Goods carried or the carrying out of the Origin Services.
- 6.4. The Customer shall always ensure that prior arrangements shall be made with ADC to ensure competent agents, and appropriate procedures for Special Handling are employed and any assistance given by ADC is purely at sole risk of the Customer who shall in any event keep ADC and its servants and agents fully indemnified in respect of such assistance given and of the consequences thereof.
- 6.5.
- a) If any of the Goods are not packed by ADC but by the Customer or any third party, ADC shall not be liable or responsible for the packing thereof and for such Goods or for compiling a Packing List therefore, ADC shall have no duty to check or advise on the packing;
 - b) In the event that Goods packed by ADC are not stored by ADC or through its agency, any Packing List compiled and issued by ADC shall thereupon become null and void and be of no further effect.
- 6.6. Any proposed packing date may be subject to revision by ADC depending on manpower, transportation, weather and accessibility Conditions.
- 6.7. Where in the opinion of ADC, the Origin Services are rendered impracticable, or more difficult, due to any reason whatsoever, such as hindrance of access, variation of instructions, and/or the condition of any of the Goods, ADC shall be entitled (without prejudice to its other rights) to suspend performance of this contract or any part thereof as ADC shall deem fit, and may if necessary, store such of the Goods packed in any manner at the Customers risk and cost pending agreement on terms of variation or completion of the contract.
- 6.8. The Customer has no right to keep and retain any liftvans, or Containers provided by ADC. In the event that unloading and/or return of such Containers is postponed beyond the date of delivery of the Goods at request of, or caused by the Customer, the Customer shall pay for additional collection and other charges incurred. ADC shall not be liable for any loss arising from or alleged to be resulting from any state or condition of such Containers after such have left actual possession of ADC.
7. DESTINATION SERVICES
- 7.1. ADC contracts not as an independent contracting party, but acts only as forwarding agents and not a Carrier in respect of Destination Services.
- 7.2. Subject to these Conditions, ADCs obligations and duties for Destination Services shall be restricted solely to those of the following services required by the Customer and it shall be conclusively deemed to have discharged properly and fully upon the performance of such of the following (as may be required):-

- a) arranging the storage of the Goods at the Customers sole risk and expense at such place and in such manner as ADC shall in its absolute discretion deem fit;
 - b) the appointment of and making the arrangements with Carriers as ADC shall deem fit for delivery of the Goods to the Destination Address;
 - c) liaising between the Carriers and the Customer.
- 7.3. The Customer authorizes ADC to appoint Carriers on his behalf upon the terms hereof, and upon Conditions and regulations of the various Carriers into whose possession the Goods may pass irrespective of whether or not the Customer has any actual notice of the same provided always that if there is any conflict between any or all of them and these Conditions, and to the extent that such is legally possible, these Conditions shall prevail.
- 7.4. Unless otherwise expressly agreed, ADC is delegated by the Customer with absolute discretion as to arrangements for the means, route and procedure to be followed in the handling, storage and transportation of the Goods.
- 7.5. The Customer authorizes ADC (who shall have no obligation) to appoint Carriers to undertake all extra steps necessitated by Customs, port, or other authorities, for release of the Goods, subject to the Customers payment all extra charges and costs incurred.
- 7.6. Any information supplied by ADC to the Customer concerning the performance of Destination Services, including the identity of Carriers, the routes and means of transport, expected time of delivery, are only on an advisory basis, and ADC shall not be liable for any inaccuracies thereof, UNLESS such were due to malicious falsehood on the part of ADC.
8. THE CUSTOMERS RESPONSIBILITY
- 8.1. The Customer shall make all necessary arrangements: -
- a) for the Goods to be available and ready for packing and delivery taken thereof at such times and place as ADC may notify him;
 - b) for the Goods to be received upon arrival at the Destination Address by him or his representatives;
 - c) for authorized representatives to be available at all times to give necessary instructions to ADC concerning the contract;
 - d) except where expressly agreed beforehand by ADC, for all licenses, permits, clearances for handling, import, export, transport of the Goods access to the Destination Address and any other requirements for Special Handling.
- 8.2. The Customer shall be liable for all duties, taxes, imposts, levies, deposits or charges or outlays of any kind levied by the authorities at any port/station or place in connection with the Goods and for any payments, fines, expenses, loss or damage incurred or sustained by ADC and contractors in connection therewith. The Customer understands that contractors performing Destination Services may require clearance of all such payments and extra charges prior to release of the Goods.
9. SHIPMENT
- a) In the case of FCL Shipment, ADC shall arrange for a full steamship container to be delivered to Carrier as soon as reasonably possible after packing.
 - b) In the case of Consolidated Shipment, ADC shall not be obliged to arrange for the Goods to be delivered to the Carrier unless and until a full steamship container load is filled.
 - c) In the case of LCL Shipment, ADC shall arrange to deliver the shipment of Goods to Carrier as soon as reasonably possible after packing for consolidation by Carrier prior to shipment.
 - d) In all the above cases, unless otherwise agreed, ADC has the absolute discretion over the choice and appointment of Carriers, timing of arrangement, the route and port of discharge and means of transport, and changes (if any) relating thereto.
 - e) Provided that where due to request of the Customer, or of governmental or other authorities, a detour from the original planned route is required, ADC may at its discretion, comply with such requirement and recover the additional costs and expenses (if any) from the Customer.
10. INSURANCE
- No insurance on the Goods will be effected except upon express instructions given by the Customer based on the insured value declared by the Customer and accepted by ADC. All insurances effected shall be by ADC as agents for the Customer, and be subject to usual exceptions and conditions of the policies of the insurance company or underwriters taking the risk. ADC shall be under no obligation to effect a separate insurance on each consignment but may declare it on open or general policy. Should the insurers dispute their liability for any reason, the Customer shall have recourse against the insurers only and ADC 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 ADC or paid to ADC by its Customers.
11. STORAGE
- 11.1. ADC may store the Goods or part thereof pending forwarding or delivery, or upon express request by the Customer. In such case Goods shall be warehoused or otherwise held at any place or places at sole discretion of ADC at the Customers risk.
- 11.2. Where storage only is requested by the Customer whether in or out of PR China, ADC shall have authority but shall be under no obligation to effect property insurance on the Goods for the value declared by the Customer. In the absence of such declaration, the value of the Goods shall be deemed to be RMB1 per cubic foot. All charges for warehousing insurance shall be to the Customers account.
- 11.3. The Customer shall only look to the insurers for indemnification of any loss, damage, deterioration to the Goods stored.
- 11.4. In the event that ADCs charges are not paid for in full, or the Customer countermands payment or changes instructions, ADC reserves the right to charge up to the end of next storage period in addition to all other extra work and services required and extra expenses incurred, including charges for re-delivery of the Goods, any forms of duties or taxes or cost of such clearance, storage, demurrage, examination and services charges for Customs, Quarantine, or other purposes, container rental charges, handling charges into and out of storage facilities and within warehouse, rental fees, terminal charges, demurrage etc.
12. PAYMENT
- 12.1. The Customer undertakes to pay all of the charges of ADC at such time as ADC may require from time to time.
- 12.2. The Customer shall indemnify ADC for all charges incurred including all disbursements and extra charges.
- 12.3. Unless otherwise specified,
- a) freight cost and insurance premium (if any) are to be pre-paid by the Customer;
 - b) ADC reserves the right to charge for actual services rendered and materials supplied at the request of the Customer upon ADCs usual rates.

- 12.4. The Customer undertakes to pay interest on all outstanding charges calculated at the rate of 2% over the prime lending rate charged by the Hong Kong and Shanghai Banking Corporation prevailing at the date when the invoice is due until full payment.
- 12.5. ADC reserves right to reject post-dated cheques or structurally equivalent payment methods.
- 12.6. ADC reserves right to hold shipment/delivery and not release the Goods to the Customer or any third party at Customer's risk pending full payment of all previous and extra charges without responsibility for delay in delivery or changes in condition of the Goods. The Customer shall remain liable for all extra charges involved, including bank and legal charges, surcharge, demurrage fees, storage charges until final delivery.
- 12.7. When Goods are accepted or dealt with upon instructions to collect freight, duties, charges or other expenses from the Receiving Party/Billing Party or any other person the Customer shall remain responsible for the same if they are not paid by such Receiving Party/Billing Party or other person.
13. LIEN OR RIGHT OF DISPOSAL
- 13.1. If the Customer fails to pay the Invoice on the Due Date or any other payments payable by the Customer under this Agreement, ADC shall forthwith be entitled to charge interest at the rate of 4% per month for any overdue Invoice and/or other payments from the Due Date of the date upon which such payments fell due to the date of actual payment. ADC shall have a first lien on the Goods, if the Customer shall fail to pay, ADC shall have a right to sell the goods and Administration fee for each collection of overdue amount is HKD500.
- 13.2. If any part of the Invoice or interest in accordance with clause 13.1 hereof is outstanding for more than 15 days after the due Date (whether finally demand or not) or the Customer shall fail or neglect to observe or perform any of the provisions of this Agreement of the Customer (being an individual) shall become bankrupt or (being a corporation) shall go into liquidation or otherwise become insolvent or make any composition or arrangement with creditors, then and in any such case ADC may also deny the Customer access to the Unit.
- 13.3. If any part of the Invoice, administration charge or interest in accordance with Clause 13.1 and 13.2 hereof is outstanding for more than 30 days after the Due Date (whether finally demand or not) or the Customer shall fail or neglect to observe or perform any of the provisions of this Agreement or the Customer (being an individual) shall become bankrupt or (being a corporation) shall go into liquidation or otherwise become insolvent or make any composition or arrangement with conditions, then and in any such case ADC may also (in addition to its rights reserved under Clause 13.1 and 13.2 hereunder);
- Remove the Goods from the Unit to such alternative storage facilities as ADC may decide without incurring liability for loss or damage arising by virtue of such removal;
 - Demand reimbursement from the Customer in respect of the full costs of removing the Goods from the Unit and storage costs elsewhere together with any further costs if ADC is required to move the goods at any time thereafter;
 - Terminate this Agreement and treat the **Goods as abandoned** and thereafter to sell (by way of auction or private treaty) and pass good title of the Goods on behalf of the Customer to purchase(s), destroy or otherwise dispose of such Goods on behalf of the Customer. The proceeds of any sale may be retained by ADC and applied to discharge any outstanding Invoice and/or other expense incurred by ADC under this Agreement. If the proceeds of sale are insufficient to discharge the outstanding liability for the balance of the outstanding amounts and ADC shall have the right to take any action considers necessary to recover the outstanding amounts.
 - Treat any goods and as abandoned and destroy or otherwise dispose of them; and
 - In addition, the Customer's obligation Clause 13.2 to pay an initial administration charge of HKD500 or such higher reasonable and proper sum for the work incurred by ADC's staff in enforcing the rights and/or remedies of ADC or in attempting to do so: But without prejudice to any rights of actions by ADC in respect of any outstanding breach or non-observance of any of the Agreement by the Customer.
14. UNDELIVERED OR UNCLAIMED GOODS
- Where ADC is unable for whatever reason to deliver Goods to the Receiving Party, it may, after: -
- giving final notice of 7 days by registered and ordinary post to the Customer and Destination Address and;
 - advertising once in one Chinese Language Newspaper and one English Language Newspaper in PR China of its intention to dispose of the Goods after 7 days; exercise the Right of Sale under Clause 13 hereof, which shall apply mutatis mutandis.
15. CHANGES IN INSTRUCTIONS
- 15.1. Any changes in instructions may render previous Quotations invalid and subject to review.
- 15.2. ADC shall not be bound to follow any changes in instructions, unless reasonable prior notice was given to it. Where conflicting instructions are given by different parties purporting to be authorized by the Customer, ADC reserves the right not to act, or to take such action as it shall in its discretion think fit, unless and until final instructions have been confirmed from the Customer.
- 15.3. All extra expenses, costs, charges, arising out of any changes in instructions shall be to the Customer's account only, and ADC reserves the right not to act on such instructions without adequate monetary deposit, and clarification.
- 15.4. In the event that instructions are given to abort a shipment after packing, the Customer shall pay ADC for all services rendered, materials used, costs of re-delivery or any further handling, warehousing charges, in addition to compensating ADC for loss of profits and administrative time. In the absence of proof to the contrary, these charges shall be deemed to be 60% of the quoted rate multiplied by the actual gross weight and/or gross external volume of Goods actually handled or requested to be handled, whichever is the larger. The Customer hereby expressly declares that this provision is expedient and fair in allowing quick settlement of claims.
16. CLAIMS
- 16.1. All claims against ADC arising out of the performance/omission of the Origin Services shall be notified to ADC forthwith, and in any event no later than 48 hours from the point in time when such claim arose, to enable ADC to immediately verify such claim, and to rectify the position (if necessary).
- 16.2. With regard to Destination Services, ADC shall not be liable in any matter (whether in tort or in contract) for any choice or nomination of any Carrier and/or any other contractors in connection with the contract, except where ADC appoints such Carrier in bad faith with the wilful intention of doing harm to the Customer or his Goods, and such Carrier did in fact cause injury to the Customer or his Goods.
- 16.3. All claims between the Customer and any Carrier arising out of Destination Services shall be notified to ADC immediately upon such claim arising, and in any event, no later than 7 days after the event giving rise to the said claim. ADC shall use its best endeavours to clarify the position with

Carriers, and to assist in the compilation of claims, and preparation of surveyors reports (if requested by the Customer). ADC undertakes to give all documentary evidence as may be requested for by the Customer and to furnish evidence (at the Customers costs) as may be requested for by the Customer.

16.4. ADC shall in any event not be liable on any claim, in respect of which legal proceedings were not brought within 12 months from the event giving rise to the claim.

16.5. ADC shall in any event not be liable for any resulting or consequential loss arising from: -

- i. act of God;
- ii. any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, insurrection, military, confiscation, requisition, destruction/detention of, or damage to property by or under the order of any government, public or local authority, institutions responsible for station and port facilities, or any pretended government or powers;
- iii. seizure under legal process;
- iv. act or omission of the Customer or owner of the Goods or their servants or agents;
- v. inherent liability due to wastage of bulk or weight, latent defect or inherent defect, vice or natural deterioration, wear and tear, mechanical derangement of the Goods or changes in Conditions of the Goods;
- vi. weather, temperature, humidity, fire and water, and changes in climatic Conditions, damage, loss or contamination by insects, vermin, pests, moths, mildew, chemicals;
- vii. stranding, sinking, overturning or collision of transport conveyance or vessel;
- viii. insufficient or improper packing not handled by ADC as part of Origin Services;
- ix. improper or inaccurate instructions given to ADC;
- x. non availability of Receiving Parties to receive the Goods or give adequate instructions;
- xi. riots, civil commotion, strikes, lockouts, general or partial stoppage or restraint of labour from whatever cause;
- xii. fraud on the part of the Customer or any Carrier involved in the shipment.

16.6. ADC shall only be responsible for the Goods whilst they are in its actual custody and under ADCs actual control.

16.7. ADC shall in no event be liable for any loss of or damage to Goods, or failure to deliver the Goods, or the resulting condition thereof, arising out of any services rendered to the Customer in relation to Destination Services rendered by independent contractors whom ADC instructed as the Customers agent.

16.8. ADC shall only be liable for any non-compliance or mis-compliance with the instructions given to it if it is proven that the same was caused by the wilful neglect or default of ADC or its own servants.

16.9. Save as aforesaid, AD shall be under no liability in connection with the Goods or instructions given to it.

17. AMOUNT OF CLAIMS

17.1. Unless otherwise pre-arranged between the parties, all Goods handled under this contract are Ordinary Household Effects with no commercial value. In any claims against ADC arising out of this contract, the Customers declaration of the value of the Goods in the Packing List or Shipment Instructions (whichever is the lower) shall be conclusive and binding upon the Customer. In the absence of such declaration, the value of the Goods shall be deemed to be RMB1 per cubic foot.

17.2. Where the value of any shipment exceeds RMB5 per cubic foot, the Customer shall effect insurance for the Goods in the absence of such insurance, ADCs liability shall not exceed RMB1 per cubic foot.

17.3. Further and without prejudice to the generality of the preceding subsection, ADC shall not in any event to be under any liability for any delay or consequential loss, emotional loss, or loss time, profit however caused nor for any loss, damage or expense arising from or in any way connected with the nature of the Goods themselves, however caused.

18. COMPUTATION OF TIME

In the computation of time where the period provided by these Conditions is 7 days or less, the following days shall not be included: - Sundays, Statutory Holidays under the Holidays of the Laws of PR China, or such other equivalents thereof.

19. DECLARATION BY THE CUSTOMER

The Customer hereby expressly declares that: -

19.1. All instructions, descriptions, documents, names, addresses, furnished by him or his agents to ADC are true full and correct in every material respect, and lawful, and ADC shall be under no duty to check or verify any information provided by the Customer.

19.2. He has made full frank and accurate disclosure to ADC of all material facts which may affect the treatment and performance of the Goods and this contract.

19.3. Save where otherwise declared, the Goods which he requests ADC to handle under this contract are Ordinary Household Effects and are fit to be carried or stored in the condition in which they are handed to ADC and he knows of no circumstances which have not been disclosed to ADC, which will render the handling of the Goods or performance of this contract unlawful or dangerous to ADC, or the Carriers.

19.4. ADC is expressly authorized to retain and be paid all brokerages, commission, rebates, allowances and other remuneration customarily retained by or paid to forwarding agents, and to charge and retain a profit derived from performance of this contract without further disclosure to the Customer.

20. INDEMNITY

In addition to and without prejudice to the foregoing Conditions, the Customer undertakes that he shall in any event indemnify ADC against all liabilities suffered or incurred by ADC arising directly or indirectly from or in connection with his instructions to ADC or its implementation thereof or its handling of the Goods, and for any claims made against ADC by any person interested in the Goods, or by any third parties whatsoever.

21. GOVERNING LAW

This contract shall be governed by PR China Law, and the parties hereby expressly submit to the non-exclusive jurisdiction of the PR China Courts.