

Sec. 1 (a) The Carrier or party in possession of any of the property herein described shall be liable as at common law for any loss thereof or damage thereto, except as hereinafter provided in this bill of lading or in the Carrier's tariff.

(b) No Carrier shall be liable for any loss or damage caused by an Act of God, the public enemy, the authority of law, the act or default of the Shipper, latent defects not discoverable by due diligence, or inherent defect, quality or vice of the cargo, errors in navigation or management of the vessel, perils of the sea, riots, strikes, lockouts, fire, or stoppage or restraint of labor, saving or attempting to save life or property at sea, or insufficiency or inadequacy of packing or marks. All cargo carried hereunder shall be per shipper load, stow, seal and count, except as expressly provided otherwise.

(c) No Carrier shall be liable for any loss or damage of any kind resulting from delay, deterioration, loss of market, lost profits, or any form of consequential damages whatsoever, however caused.

Sec. 2 Unless arranged or agreed upon, in writing, prior to shipment, Carrier is not bound to transport a shipment by a particular schedule or in time for a particular market, but is responsible to transport with reasonable dispatch. Carrier may forward a shipment via another carrier at its sole discretion.

Sec. 3 (a) As a condition precedent to recovery, a claim must be filed in writing with Carrier.

(b) Claims for loss or damage must be filed within nine months after the delivery of the property or, in the case of export traffic, within nine months after a reasonable time for delivery has elapsed.

(c) Suits for loss, damage, injury or delay shall be instituted against Carrier no later than two years and one day from the day when written notice is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts of the claims specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, Carrier shall not be liable and such claims will not be paid.

(d) Carrier or party liable for loss of or damage to any of said property shall have the full benefit of any insurance that may have been effected, upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance, PROVIDED, that the carrier receiving the benefit of such insurance will reimburse the claimant for the premium paid on the insurance policy or contract.

Sec 4 (a) If the consignee refused the shipment tendered for delivery by Carrier or if Carrier is unable to deliver the shipment, because of fault or mistake of the consignor or consignee, the Carrier's liability shall then become that of a warehouseman. Carrier shall promptly attempt to provide notice, by telephonic or electric communication as provided on the face of the bill of lading. Storage charges, based on Carrier's tariff, shall start no sooner than the next business day following the attempted notification. Storage may be at the Carrier's option, in any location that provides reasonable protection against loss or damage. The Carrier may place the shipment in public storage at the owner's expense and without liability to the Carrier.

(b) If the Carrier does not receive disposition instructions within 48 hours of the time of Carrier's attempted first notification, Carrier will attempt to issue a second and final confirmed notification. Such notice shall advise that if Carrier does not receive disposition instructions within 10 days of that notification, Carrier may offer the shipment for sale at a public auction and the Carrier has the right to offer the shipment for sale. The amount of sale will be applied to Carrier's invoice for transportation, storage and other lawful charges. The owner will be responsible for the balance of charges not covered by the sale of the goods. If there is a balance remaining after all charges and expenses are paid, such balance will be paid to the owner of the property sold hereunder, upon claim and proof of ownership.

(c) Where Carrier has attempted to follow the procedure set forth in subsections 4(a) and (b) above and the procedure provided in this section is not possible, nothing in this section shall be construed to abridge the right of the Carrier at its option to sell the property under such circumstances and in such a manner as may be authorized by law. When perishable goods cannot be delivered and disposition is not given within a reasonable time, the Carrier may dispose of property to the best advantage.

(d) Where a Carrier is directed by consignee or consignor to unload or deliver property at a particular location where consignor, consignee, or the agent of either, is not regularly located, the risk after unloading or delivery shall not be that of the Carrier.

Sec. 5 (a) The Carrier shall in no event be or become liable for any loss of or damage to the goods exceeding the lesser of \$20 per pound or \$500,000 per trailer, container, or vehicle, or \$20,000,000 per vessel or per loss if such loss exceeds \$20,000,000 in the aggregate (said amount to be prorated among Shippers participating in the loss according to the invoice or released value of the shipments), unless the value of the goods higher than this amount is declared in writing by the Shipper before shipment, the nature and value thereof inserted on the front of this Bill of Lading, and extra freight is paid as provided in tariff Item 574 C.1 B. Where a lower value than the actual value of the goods has been stated in writing by the Shipper or has been agreed upon in writing as the released value of the property as determined by the classification or tariffs upon which the rate is based, such lower value plus freight charges if paid shall be the maximum recoverable amount for loss or damage, whether or not such loss or damage occurs from negligence. Any partial loss or damage shall be adjusted pro rata on the basis of such released value. The limitation of liability and other provisions contained in this paragraph shall inure not only to the benefit of the Carrier, but also to the benefit of any independent contractor performing services, including stevedoring, in connection with the goods covered by this Bill of Lading.

(b) No carrier hereunder will carry or be liable in any way for any documents, coin money, or for any articles of extraordinary value not specifically rated in the published classification or tariffs unless a special agreement to do so and a stipulated value of the articles are endorsed on this Bill of Lading.

(c) It is agreed that iron, steel and metal goods, including vehicles, which at the time of shipment have superficial rust, corrosion, oxidation or any like condition resulting from moisture, sweat and/or their nature are not to be regarded as damaged and are admitted as being in apparent good order and condition by the Carrier and the Shipper, and the Carrier shall not be liable for such rust, corrosion, oxidation, or any like condition thereto even if caused even if caused during the custody of the Carrier.

(d) It is agreed that lumber, timber and any unprotected pieces which at the time of shipment have chafage, breakage, splitting, holes, stains, warping, shakes and/or discoloration are not to be regarded as damaged and are admitted as being in apparent good order and condition by the Carrier and Shipper, and the Carrier shall not be liable for such chafage, breakage, splitting, holes, stains, warping, shakes and/or discoloration or any like condition thereto however caused even if caused during the custody of the Carrier.

(e) The defenses and limit of liability provided for in this Bill of Lading shall apply in any action against the Carrier for loss or damage to the goods whether the action is founded in contract or in tort. If an action for loss or damage to the goods is brought against a servant, agent or independent contractor of Carrier, such person shall be entitled to avail himself of the defenses and limits of liability that the Carrier is entitled to invoke under this contract. The aggregate of the amounts recoverable from the Carrier and its servants, agents or independent contractors shall in no case exceed the limits provided for in this Bill of Lading.

(f) General Average shall be adjusted, stated and settled according to York-Antwerp Rules 1974 at any port or place at the Carrier's option and as to matters not provided for in these Rules, according to the laws and usage at the port of Tacoma, Washington or any other place at the option of the Carrier. In the event of accident, danger, damage, or disaster, before or after commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequences of which, the Carrier is not responsible by statute, contract or otherwise, the goods, shippers, consignees, or owners of the goods shall contribute with the Carrier in general average to the payment of any sacrifices, losses, or expenses of a general average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the goods. If a salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if the salving vessel or vessels belonged to strangers.

(g) Any dispute arising under this Bill of Lading shall be governed by the general maritime law of the United States or by the laws of the State of Washington in the event there is no applicable general maritime rule of law. The parties submit to the exclusive jurisdiction of the United States District Court for the Western District of Washington at Seattle with respect to any litigation arising out of this Bill of Lading or performance hereunder.

Sec. 6 Every person, whether principal or agent, who ships explosives or dangerous goods (including hazardous materials and controlled substances as defined by any governmental authority) shall comply with all laws and regulations applicable thereto and shall notify Carrier in writing of the nature of the cargo prior to shipment. No person may ship, and Carrier will not accept, any illegal drugs or other contraband. Any person who fails to comply with this Section shall be liable for and indemnify the Carrier against all loss or damage (including all fines, forfeitures or penalties imposed by any governmental authority) arising out of or resulting from such failure or caused by such goods. Such goods may be warehoused at cargo owner's risk and expense or destroyed without compensation.

Sec. 7 (a) The consignee or consignor shall be liable for the freight and other lawful charges accruing on the shipment, as billed or corrected, except that collect shipments may move without recourse to the consignor, when the consignor so stipulates by signature or endorsement in the space provided on the face of the bill of lading. Nevertheless, the consignor shall remain liable for transportation charges where there has been an erroneous determination of the freight charges assessed, based upon incomplete or incorrect information provided by the consignor.

(b) Notwithstanding the provisions of subsection (a) above, the consignee's liability for payment of additional charges that may be found to be due after delivery shall be as specified by 49 U.S.C. 13706, except that the consignee need not provide the specified written notice to the delivering carrier if the consignee is a forhire carrier.

(c) Nothing in the bill of lading shall limit the right of the Carrier to require the prepayment or guarantee of the charges at the time of shipment or prior to delivery. If the description of articles or other information on this bill of lading is found to be incorrect or incomplete, the freight charges must be paid based upon the articles actually shipped.

Sec. 8 (a) If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to the terms and provisions and limitations of liability specified by the "Carriage of Goods By Sea Act" and any other pertinent laws applicable to water carriers except as otherwise provided in Carrier's tariff or in this bill of lading and except that section 1303(3)(c) of said Act shall not apply.