



# **MSC BRAZIL TERMS AND CONDITIONS**

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**MEDITERRANEAN SHIPPING DO BRASIL LTDA.**

**REGISTERED AT TAX PAYERS ROLL 02.378.779/0001-09**

**Address Av. Ana Costa 291**

**11060-907 Santos, Brazil**

**MEDITERRANEAN SHIPPING DO BRASIL LTDA. HEREIN AFTER REFERRED AS MSC Brazil SETS OUT ITS AGENCY TERMS AND CONDITIONS APPLYING WHENEVER ACTING ON BEHALF OF MEDITERRANEAN SHIPPING COMPANY S.A. HEREIN AFTER REFERRED AS “MSC” OR THE “CARRIER”**

**THE CONTRACT OF CARRIAGE AND ALL SERVICES ARE SUBJECT TO THE CARRIER’S TERMS AND CONDITIONS (EITHER, WHEN A BILL OF LADING IS ISSUED SUBJECT TO THE “BILL OF LADING STANDARD TERMS AND CONDITIONS”, OR, IN ALL OTHER CASES SUBJECT TO THE “SEAWAYBILL TERMS AND CONDITIONS”), THE BOOKING TERMS AND THE LOCAL AGENCY TERMS AND CONDITIONS AT THE PORTS OF LOADING TRANSSHIPMENT AND DISCHARGE.**

## **2. DEFINITIONS**

- **Booking Confirmation:** Document issued by MSC that formalizes the contract of Carriage concluded between the Merchant and MSC. MSC Booking Terms are incorporated in this document.
- **Booking party:** the individual or company that arranges the booking with MSC
- **Calendar day:** runs from midnight to midnight including weekends and holidays
- **Carrier:** means the party that signed or on whose behalf the Bill of Lading has been issued and signed
- **Charges:** means any charges and surcharges relating to the carried goods and invoiced in addition to the strict Ocean Freight.
- **Combined transport:** arises where the carriage of the Goods under the contract of carriage is not limited to the sea carriage, and MSC also arranges for inland carriage, either to the Port of Loading or from the Port of Discharge, or both
- **Container:** includes any container, trailer, transportable tank, or any article used to consolidate Goods or any ancillary equipment
- **Container heavy tested:** container with a special payload (typically, maximum cargo weight: 28 tons for a 20’ and 30 tons for 40’) and in compliance with container VGM
- **Export booking:** when the arrangements with the Carrier for acceptance of the carriage of the Goods by sea is performed by MSC Brazil as agent at the port of loading
- **Import Booking:** when the arrangements with the Carrier for the acceptance of the carriage of Goods by sea is performed by MSC Brazil as agent at the Port of Discharge
- **Cross-trade booking:** when the arrangements with the Carrier for the acceptance of the carriage of Goods is performed by MSC Brazil as Agent but MSC Brazil is neither at Port of Loading nor at Port of Discharge
- **Freight:** includes the freight and all charges, costs and expenses assessed for carriage and storage of the Goods, including THC and surcharges (such as BAF, CAF etc.)
- **Merchant:** includes the Booking Party, Shipper, Consignee, holder of a Bill of Lading the receiver of the Goods and any person owning, entitled to or claiming the possession of the Goods or the corresponding Bill of Lading or any party acting on behalf of such Person and when the context so requires means those persons jointly and severally. Every person defined as “Merchant” is jointly and severally liable to the

Carrier for the payment of all freight and charges and for the performance of the obligations of each of them hereunder.

- **MSC or the Carrier:** means MSC Mediterranean Shipping Company S.A., 12-14 Chemin Rieu 1208 Geneva, Switzerland.
- **MSC Brazil:** means Mediterranean Shipping do Brazil Ltda., established at Av. Ana Costa 291 11060-907 Santos, SP Brazil including all its branch offices in Brazil acting as agents of MSC Mediterranean Shipping Company S.A, only. MSC Brazil acts as Agents for and on behalf of MSC Mediterranean Shipping Company S.A. (the “Carrier”, or “MCS”) only.
- **Place of delivery:** means and inland place at which the Carrier in case of Combined Transport delivers the goods provided that such a Place of Delivery has been expressly mentioned in the Bill of Lading
- **Place of receipt:** means any inland place at which the Carrier in case of Combined Transport receives the Goods provided that such a Place of Receipt has been expressly mentioned in the Bill of Lading.
- **Port of Loading:** means any port where the Goods are loaded on board any vessel as mentioned in the Bill of Lading
- **Port of discharge:** means any Port where the Goods are discharged from any vessel after the carriage under the Bill of Lading.
- **Port to Port Transport:** arises if Carriage is not Combined Transport
- **Shipping instruction:** information supplied by the booking party providing all detailed instructions for a shipment (e.g., shipper, consignee, bill-to party, commodity, pieces, weight, cube, etc.) this information is used also for Bill of Lading purpose.

### **3. APPLICABILITY**

- 3.1 These MSC Brazil Agency Terms and Conditions and the conditions stipulated in article 4 hereunder apply – depending on the nature of the services rendered – on all Contracts concluded with the Carrier through MSC Brazil as Agent and contracts concluded between the Merchant and MSC Brazil
- 3.2 In case of any inconsistency between these MSC Brazil Terms and Conditions and the Terms and Conditions of the MSC Bill of Lading the latter shall prevail. In case of any inconsistency between any local Agency Terms and Conditions and the Terms and Conditions of the MSC Bill of Lading, the latter shall prevail.
- 3.3 These Agency Terms and Conditions shall be deemed to be part of all contracts between the Merchant and MSC via its local Agents MSC Brazil. Orders and instructions of the Merchant shall be considered as his acknowledgement and acceptance of these General Conditions.
- 3.4 General Conditions of the Merchant will not be applicable and shall in any way be superseded by these Agency Terms and Conditions and the Terms and Conditions of the MSC Bill of Lading.
- 3.5 Any variation to any local Agency’s Terms & Conditions and/or Carrier’s Terms and Conditions and in particular general conditions the Merchant shall only apply if this has been explicitly agreed in writing by an authorized person on behalf of MSC Brazil and/or MSC.

## **4. NATURE OF THE SERVICES RENDERED BY MSC BRASIL**

- 4.1 Whether expressly stipulated in letters, quotations, bookings confirmations, arrival notices, invoices etc. or not, and in relation to Contracts of Carriage evidenced by a Bill of Lading issued or to be issued – MSC Brazil shall always act as Agent for the Carrier only, in the performance by the Carrier of its obligation under the Bill of Lading, these Contracts of Carriage being concluded between the Merchant and the Carrier; MSC Brazil not being the Carrier.
- 4.2 If the Contract of Carriage evidenced by a Bill of Lading issued or to be issued is for the Combined Transport, any carriage from the Place of receipt to the port of Loading and/or from the Port of Discharge to the Place of Delivery mentioned is arranged by MSC Brazil strictly as Agent for the Carrier only.
- 4.3 In the performance of services rendered by MSC Brazil under the instruction of the Merchant (and not as Agent for the Carrier in the performance by the Carrier of its obligations under the Bill of Lading as defined in articles 3.1 to 3.3) MSC Brazil shall, at all the times act as forwarding Agent to the Merchant only.

## **5. CONDITIONS OF SERVICES RENDERED BY MSC BRASIL**

- 5.1 In performing services as Agent for the Carrier as defined in article 3.1 to 3.2 of these Agency Terms and Conditions, MSC Brazil shall under no circumstance be under any liability to the Merchant for any loss, damage or delay of whatsoever kind arising or resulting directly or indirectly from any act, neglect or default on the part of MSC Brazil while acting in the course of, or in connection with the employment of MSC BRAZIL as Agent for the Carrier, and without prejudice to the generality of the foregoing provisions every exception, limitation, condition and liberty contained in the Conditions of Carriage and every right, exemption from liability, defense and immunity of whatever nature available and shall also be available to the Carrier or to which the Carrier is entitled under the Conditions of Carriage shall also be available and shall be extended to protect MSC Brazil.

## **6. APPLICABLE LAW AND JURISDICTION**

- 6.1 Any contract concluded between the Merchant and MSC Brazil, while not acting as Agent for the Carrier and only as Agent of the Merchant shall be governed and construed in accordance with Brazilian law.
- 6.2 Without prejudice to the foregoing, any other contract concluded with MSC Brazil on behalf and as Agent for MSC shall be subject to English law exclusively whether or not a Bill of Lading has actually been issued, except for Goods carried to or from the United States of America where the law of the United States of America shall apply exclusively.
- 6.3 Carrier's Jurisdiction:
- 6.3.1 The Merchant acknowledges and agrees that pursuant to clause 10.3 of the Carrier's Terms and Conditions the Contract of Carriage is subject to English Law and the exclusive Jurisdiction of the High Court in London, unless the carriage contracted for was to or from the United States of America, in which case suit shall be filed exclusively in the United States District Court and U.S. Law shall exclusively apply.

- 6.3.2 The Merchant agrees that it shall not institute suit in any other Court and agrees to keep the Carrier indemnified against the reasonable legal expenses and costs of the Carrier in removing a suit filed in another forum. The Merchant waives any objection to the personal jurisdiction over the Merchant of the agreed forum.
- 6.3.3 In case of any dispute relating to the Freight or other sums due from the Merchant to the Carrier, the Carrier may, at its sole option, bring suit against the Merchant in the forum agreed above, or in the countries of the Port of Loading, Port of Discharge, Place of delivery or in any jurisdiction where the Merchant has a place of business.

## **7. PRICES AND QUOTATIONS**

- 7.1 MSC Brazil quotation is based on the information provided by the Merchant at the time of the booking. Complete details of the carriage and accurate description and value of the goods is recommendable for certain quotation. The value of the Goods does not turn to the Bill of Lading into an *Ad Valorem* one unless this is expressly agreed in writing by the Carrier in accordance with clause 7.3 of Carrier's Terms and Conditions.
- 7.2 Every MSC Brazil quotation will include a validity deadline. Quotations made by MSC Brazil are not binding until MSC Brazil Booking Confirmation has been transmitted in writing to the Merchant.
- 7.3 Quoted times and dates for empty positioning and loading are always subject to equipment availability and space. Advertised transit times, sailing and arrival dates are estimated times only and such schedules may be advanced, delayed or cancelled without notice. In no event the Carrier shall be liable for consequential damages or for any delay in scheduled departures or arrivals of any vessel or other conveyances used to transport the Goods by sea or otherwise.
- 7.4 As a matter of principle, all charges are given on "VATOS" (Valid at Time of Shipment) basis at loading port. Unforeseeable and/or additional expenses (such as statutory increase, war risk, congestion, etc.) before, during and after the sea-carriage may be charged by the Carrier to the Merchant.
- 7.5 Modifications to the contract caused or requested by the Merchant, for instance, release of cargo to alternative third parties, change of the port of discharge, issuance switch bills of lading etc., are not included in MSC Brazil quotations and additional charges may apply.

## **8. INVOICING AND PAYMENT**

- 8.1 Invoicing – Freight and local charges will be invoiced by MSC (via its Agent) and MSC Brazil separately. Any dispute about the invoicing will be directly dealt with MSC Brazil.
- 8.2 Payment
- 8.2.1 The Merchant shall pay freights, charges, duties and remuneration in the currency mentioned in the invoices issued and within the deadline stipulated on the invoice. If the invoice does not make reference to a payment deadline, the invoice is due and payable at sight.
- 8.2.2 The Carrier or MSC Brazil acting on its behalf or on its own name are entitled at their discretion to terminate any provision of credit at any time through an e-mail notice.

- 8.2.3 If the Merchant wishes to appoint a third party to settle charges on his behalf, the Merchant agrees and accepts that he remains jointly and severally liable towards MSC and MSC Brazil for all charges due in the event of default, claim or non-payment by the Merchant's agent.
- 8.2.4 Payment of Ocean Freight can be effected in local currency although quoted in USD with any exception agreed upon by MSC Brazil in writing. Any prepaid foreign currency will be charged at the rate of exchange prevailing at the date of payment.
- 8.2.5 Any Bank service charge/transaction costs are for sole account of the payer.
- 8.2.6 The Merchant shall not be entitled to apply any setoff, counter-claim or deduction in respect of sums charged by MSC Brazil or MSC to the Merchant under any contract existing or having existed between parties.
- 8.2.7 In case the Merchant fails to arrange payment of any invoice within the deadline mentioned in the invoice, or in the absence of such deadline, the deadline mentioned on the article 7.2.1 of these Agency Terms and Conditions, MSC Brazil are entitled charge 2% on the amount plus 1% monthly interest per rata diem
- 8.2.8 The non-payment of an invoice payable at sight shall constitute a breach of the Booking Confirmation terms and may result in not having the shipment loaded on the scheduled vessel. Furthermore, if the non-payment is maintained MSC reserves the right to cancel the booking pursuant to clause 17 of MSC Brazil Terms and Conditions.
- 8.2.9 The non-payment of an invoice at maturity date shall constitute a breach of the Contract of Carriage and of any Credit Terms Agreement triggering the consequences provided for in such agreement, i.e. the immediate suspension of the benefit of any credit conditions and any and all outstanding amounts becoming due and payable immediately.
- 8.2.10 In the event of non-payment, MSC and/or MSC Brazil, shall have the right, but not the obligation, to exercise one or several of the following options:
- To suspend the granting of credit to the Merchant (including its subsidiaries)
  - To claim the payment of any outstanding amount according to above 7.2.9
  - To withhold original documents (including B/L) and/or cargo until all overdue freight and charges are settled
  - To exercise a lien over the cargo or any document related thereto.
  - Not to load shipment(s) on the scheduled vessel or at all
  - Stop to provide new services
- 8.2.11 In the event of credit suspension, credit terms shall neither apply to any contract of carriage agreed after suspension nor to those contracts of carriage that have not been accomplished (cargo still at port of loading and/or en route)

## **9. EXPORT BOOKINGS**

### 9.1 Booking Confirmation and the use of Booking Agents:

[Click here](#) for a copy of MSC Brazil Booking Confirmation

- 9.1.1 The Booking Confirmation formalizes the contract of carriage between the Merchant and MSC, as a consequence of which, every person defined as Merchant in the item 1.13 become jointly and severally contractual partners of MSC.
- 9.1.2 The Merchant warrants that the booking Party has authority to enter into this contract on behalf of the Shipper and/or Consignee and to receive the original Bills of Lading. Every Person defined as Merchant remain bound by the terms of the contract and responsible for all liabilities arising in connection with this booking, the carriage of the Goods and the use of MSC's container or other equipment, despite any later variation or purported supersession of the contract, including the nomination of a different shipper for the purpose of the Bill of Lading.
- 9.1.3 The Booking Confirmation does neither automatically guarantee equipment nor vessel availability
- 9.1.4 Full details of the shipment are needed for the issuance of the Booking Confirmation. The Merchant shall provide a detailed cargo description (including weight), port of loading, port of discharge and type of container(s) upon booking as booking acceptance is not unlimited and unconditional.
- 9.1.5 As per the SOLAS Convention (Safety of Life at Sea) it is mandatory for shippers to verify weights of packed containers, regardless of who packed the container. The verification of actual container weight must be obtained on-shore, and provided to the vessel operator and the port terminal facility prior to the vessel loading process. Neither MSC nor MSC BRAZIL shall be responsible for any costs linked the declaration of incorrect container weights.
- 9.1.6 MSC Brazil will issue a Booking Confirmation with the details of the shipment. The information in the Booking Confirmation will be further used to and will serve as the basis for the issuance of the Bill of Lading.
- 9.1.7 MSC Brazil's Booking Confirmation must always be carefully checked by the Merchant. The Merchant is obliged to carefully check the correctness of all information mentioned on the Booking Confirmation, e.g., Port of Loading, Port of Discharge, Shipper, Consignee, Notify, description of the Goods; special attention is required regarding hazardous cargoes, reefer and out of gauge details . MSC Brazil must be informed immediately in writing in case of discrepancy, inaccuracy or missing details, failing this, MSC Brazil will not accept any responsibility.
- 9.1.8 Export free time – MSC offers free use of the booked container(s) (release number mentioned in the Booking Confirmation) for a period maximum of 15 calendar days (7 days in case of special equipment) from the time the container(s) was/were released to the concerned party (Hire Free Period). If after the hire free period the container is not shipped on board, such an excess time will be invoiced under demurrage tariff, with the rest of the charges accrued.

## 9.2 Shipping instructions:

- 9.2.1 Full and complete Shipping Instructions with comprehensive and definitive details of the shipment must be submitted before the closing time set by MSC Brazil. For shipments to countries/areas requiring an AMS-filing or comparable procedures, special deadlines shall apply. The Merchant is responsible to enquire the specific deadline applicable to their shipment. Shipper, Consignee and Notify details (complete name, address, telephone number, email and fax, if available) shall be provided or delays may occur and extra costs and charges may be incurred. Discrepancies with information that appears in the Booking Confirmation or wrong information at time of receipt the Shipping Instructions, especially in relation to the cargo weight, may lead to substantial risks and costs for account of the Merchant and might result in short-shipments and/or extra charges for account of the Merchant.



- 9.2.2 Bill of Lading will be issued upon receipt of loading confirmation by the Carrier and kept at Merchant's disposition at MSC Brazil local office. Transfer and dispatch of documents (by registered mail or courier) will only be effected upon request of the Merchant's order confirmation and at his sole risk, expense and responsibility and shall be deemed remitted to the Merchant upon sending.
- 9.3 The arrival of the Goods to discharge port:
- 9.3.1 MSC Agent at Port of discharge will send an arrival notice upon arrival. This notice is a mere commercial courtesy and omission to send it shall not trigger any liability whatsoever, the Merchant being liable to enquire the arrival of its Cargo at MSC Brazil
- 9.3.2 The Merchant shall take delivery of the Goods within the time provided in the Carrier's applicable tariff referred to in Clause 3 of the MSC Bill of Lading Terms and Conditions.
- 9.3.3 Shall the Merchant fail to take the Goods within ten (10) days of the delivery becoming due under clause 8.3.2 above, such delay shall be considered as unreasonable in the meaning of the clause 20 of MSC Bill of Lading Terms and Conditions and the Carrier shall not thereafter have and further responsibilities or liability in respect of these goods.
- 9.3.4 Notwithstanding the above, the Carrier shall be entitled, without notice, to unpack the Goods and/or to store the Goods ashore, afloat, in the open or under cover, at the sole and entire risk of the Merchant and such storage shall constitute due delivery and the and the costs of such storage (if paid or payable by the Carrier or any agent or sub-contractor of the Carrier) shall forthwith upon demand by the Merchant to the Carrier.
- 9.3.5 Any and all Persons defined as Merchant (see item 1.14) shall remain jointly and severally liable for the payment of the freight, in particular if the Consignee fails to take delivery of the Goods for whatsoever reason.
- 9.3.6 If after 30 calendar days from the date of discharge the Goods have not been collected, MSC may exercise its right under the Bill of Lading to dispose of the Goods, always subject to the local laws and regulations authorizing it, without prejudice of MSC's right to pursue recovery of any remaining / outstanding amount from the Merchant.

## 10. IMPORT BOOKINGS

- 10.1 Import free time – unless otherwise agreed in writing MSC offers the free use of the booked container(s) (release number mentioned in the Booking Confirmation) for a maximum period of 7 calendar days starting from the date of discharge at port of destination.
- 10.2 The rest of the provisions of these Agency Terms and Conditions – where it does not conflict with the wording of our term of responsibility for use of containers registered in the Public Notary office of Santos under number 672.144 of 18/12/2015 – shall apply *mutatis mutandis* to the Import bookings.

## 11. CONTAINERS

- 11.1 On completion of the booked voyage (or if the booked voyage is cancelled by the Merchant prior loading) the empty container must be returned to MSC undamaged and completely free of residues dangerous labels in accordance with Carrier's Term and Condition Clause 14.9. Failure to comply with this

requirement may result in action being taken against the Merchant to recover the costs of the repairs, cleaning and/or disposal of residue/contamination, and if any fine, interest and administration charges.

- 11.2 If the container(s) is/are not presented for shipment or returned to the designated place within 30 days calendar days the Merchant shall pay the container(s) depreciated value in addition to all accrued hire, demurrage/detention, administration and other charges up to date this option is eventually exercised.
- 11.3 The Merchant is liable for and shall indemnify MSC for all costs, loss and damages arising from any accidents or incidents involving container provided including injury or death of persons or loss of or damage to property, provided that the accident or incident is not due to the fault or negligence of MSC or MSC Brazil
- 11.4 The use of dry-van container in-lieu of reefer or temperature-controlled containers is left to the sole Merchant's appreciation and decision and the Carrier shall have no liability or responsibility whatsoever for thermal or condensation loss or damage to the Goods sustained by reason of natural variations in atmospheric temperatures whether the cargo was carried on or under deck.
- 11.5 The Merchant is responsible for inspecting the empty container for ensuring it is suitable (including its payload) to carry the specific shipment booked. A light-test prior to each empty container(s) acceptance is the minimum inspection standard required from the Merchant and no liability shall be borne by the Carrier nor by MSC Brazil for costs of exchanging a container found at later stage with discoverable defects, nor for damages to the goods caused by such defects(s) in the event of use.
- 11.6 The Merchant has to check and ensure that the maximum payload complies with all country-specific legal regulations or requirements at origin, in the transit countries and at destination. It is expressly reminded that overstuffing of containers is not permitted by Law and may result in severe injuries and casualties for which the Merchant will be held fully liable. If the Merchant fails to comply with these provisions, the Carrier reserves the right to deal with such Goods, stopping the Goods in transit, discharging at the next port and/or repacking them and levying extra charges, and the Merchant is strictly liable to indemnify the Carrier for all costs, losses, delays, damages, fines, increased charges and any other consequences whatsoever arising. In the event of heavy tested container, the Merchant shall check upon receipt, and not later, that the unit complies with the requested special payload.
- 11.7 **Container seal(s)** - For security reasons all containers to all destinations must be sealed by the Merchant with a High Security Bolt Seal directly after stuffing. MSC Brazil shall provide MSC's high security bolt.
- 11.8 **Cargo stuffing and proper lashing**
- 11.8.1 Correct packing and securing of the cargo within the container is of vital importance. MSC reserves the right to refuse loading or further on-transport in case of improper stuffing. In the event of damage to the container(s), the Merchant shall assume full responsibility for the damage.
- 11.8.2 Goods shall include any packing and packing materials used to secure the cargo within the container. It is the Merchant's responsibility to ensure that the packing and packing materials, especially timber, comply with all applicable requirements and that their import is permitted at the country of destination. Any action from the authorities that results in losses to Carrier on account of improper timber shall be of the sole responsibility of Merchant. The weight of the packaging and package shall be included in the total weight declared of the container.
- 11.9 **Under deck** – Loading and stowage of Goods is carried out under sole instructions of the Ship's Command. Requests for "under deck stowage" are subject to written approval and confirmation by MSC Brazil and might give rise to additional specific charges.

## **12. CUSTOMS FORMALITIES**

- 12.1 Late Customs declaration fines – It is Merchant’s responsibility to file Customs declarations and if the Carrier or MSC Brazil is fined as a consequence of the Merchant’s late, incomplete or erroneous filing, the Merchant indemnifies the Carrier or MSC Brazil for the fine and for all costs losses and expenses whatsoever incidental thereto.

## **13. MERCHANTS HAULAGE**

- 13.1 In case of Merchant’s haulage, the Merchant guarantees that he and/or his subcontractors are in possession of the mandatory administrative authorization to exercise the activity, including the corresponding Port Authority authorization when appropriate. Likewise, the vehicles used must meet the necessary conditions for the transport of the intended shipment. When the haulage is carried out in collaboration with another haulage contractor, his condition is regarded as sole Carrier with respect to MSC and MSC Brazil and shall remain in force.
- 13.2 At time of empty pick up from the depot, the Merchant is responsible for inspecting the empty container, either directly or via their truckers, and ensuring it is fit (including payload, absence of holes and odor) to carry the specific shipment booked. If the unit is not suitable MSC Brazil depot will provide a new one at the earliest opportunity.
- 13.3 The container(s) delivered at the Terminal as per Merchant’s request will be on his account and risk since this stock has not been inspected by the Carrier yet. The container must be also inspected at the time of empty pick up from the terminal since any later refusal of container will cause additional costs for account of the Merchant and neither MSC nor MSC Brazil shall be held liable for the costs of changing/replacing the container.
- 13.4 The Merchant is responsible for ensuring that all previously affixed IMO (hazardous Goods) placards and labels have been removed from the container before pick up at Terminal/depot or latest during stuffing of its non-hazardous cargo. Costs resulting from a failure to do so will be for account of the Merchant.
- 13.5 The Merchant is responsible to check the empty container picked up is used for the booking confirmed by MSC Brazil for this specific container. Neither MSC nor MSC Brazil shall be responsible for any costs associated with the diversion of shipments or additional on-carriage costs of wrongly swapped cargoes carried out within due to mistake during the empty pick up.

## **14. SANCTIONS AND IMPORT/EXPORT CONTROL LAWS**

It is Merchant’s responsibility to ensure that the Booking complies with all applicable trade sanctions and import/export control Laws and Regulations. Merchant shall keep the Carrier and its servants and agents fully harmless and indemnified (including for the avoidance of doubt, legal expenses) against any expense, fine, arrest of vessel or other assets, loss or liability whatsoever incurred in connection with a breach of this provision.

## **15. HAZARDOUS GOODS/IMDG CARGOES**

- 15.1 Hazardous and IMDG cargoes are booked on provisional basis only and subject always to the acceptance of the hazardous department of the Carrier. A dangerous good declaration (DGD) shall always be provided by the Merchant and the time of booking.
- 15.2 The signed "container packing certificate "needs to be presented at the latest 24 hours prior to cargo closing time at Terminal. Even if hazardous cargo booking is accepted by MSC in the first instance MSC reserves the right to reject the shipment since final approval is with Vessel's Master.
- 15.3 Dangerous or hazardous Goods are accepted by MSC Brazil and the Carrier in reliance on the Merchant's notice of their full and true nature. The Merchant's dangerous or hazardous Goods declarations must be in format required by all applicable regulation.

## **16. REEFERS TEMPERATURE CONTROLLED CARGOES**

- 16.1 Reefer cargo booking is only accepted together with a reefer booking form which must be duly filled out.
- 16.2 The Merchant is responsible to check the pre-settings of the container temperature, ventilation and humidity prior to stuffing. MSC and MSC Brazil shall not be held liable for temperature damages generated by hot stuffing or non-disputed wrong pre-settings. Refrigerated containers are not designed to cool or freeze cargo which has been loaded in a container at a temperature higher than the designated carrying temperature. MSC shall not be responsible for the consequences of the cargo being loaded at a higher temperature than the one required for carriage.
- 16.3 The (red-marked) maximum load line shall not be exceeded under any circumstance, as this would impair the correct circulation of the cooling air and neither MSC nor MSC Brazil shall accept any liability due to a non-respect of this safety measure.

## **17. CANCELLATION**

MSC reserves the right to cancel the Booking should the container(s) not be loaded/picked up on the dates agreed or if the Carrier has reasonable grounds to doubt that the Goods may be not complaint with any relevant applicable regulation. In the event of booking cancellation for any reason including when the application of the preceding sentence, any and all charges (including administration fees) incurred by MSC shall remain due and payable by the Merchant.

## **18. RELEASE**

- 18.1 Cargo will not be released (or Delivery order shall not be issued) until freight and/or charges have been paid and until original Bill of Lading duly endorsed has been surrendered.
- 18.2 The cargo will be delivered to one party only. In the event that the consignee appoints a third party to take care of the delivery on his behalf, Consignee shall confirm in writing this authorization providing MSC Brazil Letter of Authority for collection duly signed.

## **19. RETURNING OF CONTAINERS**

The empty container has to be returned within the agreed time at the place designated by MSC Brazil in a clean, odorless, and undamaged condition and completely free of residues, with all chemicals, dangerous Goods (in accordance with applicable regulation) and fumigation labels removed according to Carrier's Terms and Conditions. Failure to comply with this requirement may result in additional costs for account of the cargo.

## **20. LOCAL CHARGES (STORAGES, DEMURRAGES, DETENTIONS)**

MSC Brazil import desk should be contacted directly for such information.

## **21. CARGO WEIGHT DECLARATION AND VGM COMPLIANCE, SUBMISSION'S DEADLINE.**

All VGM must be submitted electronically or transmitted to MSC prior loading, failing which containers will not be planned on the scheduled vessel. All costs, consequences shall be on Shipper's account for any delay in submitting VGM, non-submission of VGM and/or for any noncompliance to VGM statutory guidelines.

MSC does not permit its Containers to be used in any manner whatsoever to lift, load, move or carry cargoes that:

- a. are wrongly declared, or
- b. weigh in excess of the VGM or commercial / manifest weight declared, or
- c. weigh in excess of the payload of the equipment.

Should MSC be made aware, prior or during carriage, that its Containers have been used in breach of any of the above prohibitions, the container(s) concerned may be refused for loading, kept onboard for return to origin, discharged at the next convenient port and/or corrective measures such as, but not limited to, restuffing into other containers may be taken at MSC' sole discretion and at the Merchant's sole risks and expenses.

Merchant shall be liable towards MSC and its agents for all losses, claims, fines, demands, suits and actions of any kind whatsoever including in respect of death and personal injury, legal and court expenses, whether directly or indirectly resulting from or connected to such unauthorized use of the MSC's Containers.

Any extra work generated due to a breach of any of the above prohibitions shall give rise to an ad hoc surcharge and MSC reserves it rights to exercise its lien over the infringing cargo and/or any other cargo carried on behalf of the Merchant until the costs due to MSC, including surcharge, have been fully paid.

## **22. LEGAL ADMINISTRATIVE FEE**

MSC shall charge the Merchant a Legal Administration Fee (LAF) covering the extra coordination / organization work and subsequent follow-up necessitated by any situation of damage or risk of damage to the cargo, container,

crew and/or vessel caused or generated by the Merchant's negligence, fault or misconduct. This fee will be charged in addition to the costs actually as the result of the situation itself and its remedy. Its amounts will be of:

FOR COSTS UP TO 500 USD: 40 USD PER CONTAINER

FOR COSTS BETWEEN 500 AND 1000 USD: 80 USD PER CONTAINER

FOR COSTS BETWEEN 1000 AND 2000 USD: 140 USD PER CONTAINER

FOR COSTS OVER 2000 USD: 200 USD PER CONTAINER

The Carrier and its Agent are authorized to charge the Legal Administration Fee in any other legal currency locally.