



JP LOGISTICS SDN BHD

(Company No: 412976-U)

(A Wholly Owned Subsidiary of Johor Port Berhad)

TERMS AND CONDITIONS OF BUSINESS

EFFECTIVE 1ST JUNE 2006

JP LOGISTICS SDN BHD

TERMS AND CONDITIONS OF BUSINESS

PART 1

1. General Provisions

- 1.1 These terms and Conditions (hereinafter referred to as “Conditions”) set out the basis on which JPL renders the Service to the Customer.
- 1.2 These Conditions contain limitations or exclusions of liability on the part of JPL. In order to minimise its charges, JPL considers it reasonable to limit its liability and to share risks with the Customer in the manner set out in these Conditions.
- 1.3 A Customer is recommended to take professional advice and to consider their insurance arrangements which fall within the responsibility of the Customer under these Conditions.
- 1.4 The Customer’s attention is drawn to the rights of JPL to apply a fuel surcharge that corresponds with any prevailing rise in fuel costs.
- 1.5 If any supply made by, in or under this contract is subject to GST, the Customer must pay JPL in respect of that supply an amount sufficient to ensure that JPL retains, after payment of GST, the amount that JPL would have received had GST not been payable. The Customer must pay any amount payable under this Condition on the same date as payment must be made for a supply giving rise to the GST.
- 1.6 The Federation of Malaysia Freight Forwarders’ Standard Trading Conditions, the Pan Malaysian Lorry Owners’ Association Standard Transportation Conditions, the general conditions of carriage under the Railway Ordinance 1948 and the Conditions of Carriage for Container Hauliers Association, as may be amended from time to time shall apply in so far as they are consistent with the provisions of these Conditions.
- 1.7 A copy of these Conditions can be viewed at JPL’s website or made available at a cost.

2. Application

2.1 Conditions Deemed to Apply

2.1.1 These Conditions shall be deemed to apply on the Customer:-

- I. immediately upon JPL's written confirmation and acceptance of the Customer's instructions by postal or facsimile transmission or by electronic mail or otherwise or
- II. upon the execution of an agreement between the Customer and JPL for the rendering of Service by JPL to the Customer or
- III. upon the Customer transacting any Business with JPL.

2.2 Acceptance of Goods

2.2.1 Goods shall be accepted by JPL for the purpose of rendering the Service, on condition that:-

- I. If the person delivering the Goods to JPL is not the Customer, the Customer warrants that delivery of the Goods and the signing of the requisite delivery and other documents on behalf of the Customer, constitutes acceptance of these Conditions by the Customer; and
- II. Where the Customer is not the owner of the Goods, the Customer warrants his authority to act as agent of the owner for all purposes in connection with the Service rendered for the Goods by JPL.

2.2.2 The acceptance of these Conditions shall amount to a contract which constitutes the entire understanding of the Parties as to its subject matter. There are no understandings, agreements, warranties or representations (express or implied) forming part of this Contract.

2.2.3 JPL is not a common carrier and reserves the right to refuse to carry Goods without reason and accepts Goods for Carriage only in accordance with these Conditions.

3. Definitions

- 3.1 In these Conditions, the following expressions except where the context otherwise requires or where it is otherwise stated, shall have the following meanings:-
- A. **'Authority'** means a duly constituted legal or administrative person, acting within its legal powers and exercising jurisdiction within any nation, state, municipality, ports and airports, free zones, customs and includes a railway authority;
 - B. **'Carriage'** means the whole or any part of the operations and services of whatsoever nature undertaken by JPL by road, rail, ship, air and any manner of transportation in relation to the Goods;
 - C. **'Charges and Tariffs'** means JPL's quoted charges for the Service as may be amended from time to time or other rates as may be agreed between JPL and the Customer in respect of the Service;
 - D. **'Conditions'** means the entire undertakings, terms, conditions and clauses incorporated herein;
 - E. **'Customer'** means any person at whose request or on whose behalf JPL undertakes any business, provides advice, information and the Service. The term also includes an agent or a principal at whose request or on whose behalf JPL provides the Service;
 - F. **'Consignee'** means the person to whom the Goods are consigned;
 - G. **'Consignment'** means Goods in Bulk or Goods in a single parcel, package or container, as the case may be or any number of separate parcels, packages or containers sent at one time in one load by or for the Customer from one address to another address.
 - H. **'Consignor'** means the person from whom the Goods are collected;

- I. **'Container'** includes, unless otherwise indicated, any container, flexi tank, transportable tank, flat or pallets and similar items used for the consolidation of goods as well as mobile plant and timber packages;
- J. **'Confidential Information'** means all information in respect of the business of each of the parties including, without prejudice to the generality of the foregoing, business methods, prices, business, financial, marketing, development or manpower plans, or customer lists that arise through the negotiation or performance of the contract;
- K. **'Dangerous Goods'** includes Goods that are or may become dangerous, inflammable, radio-active or damaging in nature either to itself or other property or persons, Goods liable to taint or affect other goods, likely to harbour or encourage vermin or other pests or firearms, ammunitions and explosives, Goods so dangerously packed that may encourage the habitation of other animals, micro-organisms or fungi or likely to involve detention to itself or persons or any property, empty receptacles which were previously used for the carriage of Dangerous goods unless such receptacles have been rendered safe and **'Dangerous Goods'** that are defined as dangerous under Dangerous Goods regulations IMDG Code or any other laws, by-laws or regulations enforced in Malaysia;
- L. **'Goods'** is used interchangeably with **'Cargo'** and includes goods, wares, merchandise, articles of any kind, any legally recognized articles or materials and any container either supplied or not supplied by or on behalf of JPL, or any goods or consignment within the definition of this Contract, or any part thereof, in respect of which JPL provides the Service;
- M. **'GST'** means Goods and Service Tax or value-added tax or charge as may be imposed by the Government of Malaysia on the sale of all goods and services within the country, except certain essentials as may be determined by the Government of Malaysia at a future date. GST may be given another name when the law on its imposition is passed. It also refers to GST or its equivalent imposed in any jurisdiction where the Service is rendered in respect of the Goods.
- N. **'Group Company'** means any company which is a Subsidiary of either Party, which is a Parent Company of either Party or which is a Subsidiary of a Parent Company of either Party;

- O. **'Hague Rules'** means the provisions of the International Convention for the Unification of certain Rules Relating to Bills of Lading signed at Brussels on 25th August 1924;
- P. **'Instruction'** means a statement of the Customer's specific requirement.
- Q. **'International Multimodal Transport'** means the carriage of Goods by at least two different modes of transport on the basis of a multimodal transport contract from a place in one country at which the Goods are taken in charge by the multimodal transport operator to a place designated for delivery situated in a different country;
- R. **'Multimodal Transport Operator'** means any person who on his own behalf or through another person acting on his behalf concludes a multimodal transport contract and who acts as a principal, not as an agent or on behalf of the consignor or of the carriers participating in the multimodal transport operations, and who assumes responsibility for the performance of the contract;
- S. **'JPL'** means JP Logistics Sdn Bhd, a company incorporated under the laws of Malaysia and having its registered office at L2.3, 1st Floor, Wisma Kontena Building, 81700 Pasir Gudang, Johor Darul Ta'zim carrying on its services in its own name or under any business names;
- T. **'Owner'** means the Owner of the Goods (including any packaging, containers or equipment) to which any business concluded under these Conditions relates and any other person who is or may become interested in them.
- U. **'Parent Company'** has the same meaning as that set out in the Companies Act 1965.
- V. **'Prohibited Goods'** means Goods prohibited or restricted by the national laws of the exporting and importing countries and may include Dangerous Goods;
- W. **'Railway'** means Keretapi Tanah Melayu Berhad or its successors and assigns
- X. **'Service'** is used interchangeably with 'Business' and means the whole of the operations and services undertaken and rendered by JPL in anyway whatsoever connected with or concerning the Goods, which also involves logistics management and transportation services with the use of

innovative IT services and including all the facilities and or processes required to go from raw materials to end customer delivery together with purchasing, inventory management, warehousing, shipping, customer returns and value added services or any part as herein described thereof;

Y. **'Sub-Contractor'** means:

- a. any person appointed or engaged by JPL to arrange or provide the Service on behalf of JPL; and
- b. any person who is a servant, agent, employee or sub-contractor of JPL;

Z. **'Warsaw Convention'** means the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on 12th October 1929 which is a widely recognized set of international Rules governing the liability of an air carrier in the event of the death or injury of a passenger, loss of baggage or Cargo or delay during international air transport;

AA. **'Warehousing Activity'** means storage of Goods, packing, sorting and labeling, bar-coding, lashing or unlashng, choking, strapping, bundling or re-bundling, stuffing or un-stuffing and handling of the Goods by any person at any place whether onshore or afloat and for any length of time. Storage for this purpose may include storage which are carried out within secured and bonded warehousing areas;

4. **Cumulative Remedies**

4.1 Under these Conditions, the rights and remedies given to JPL under the Contract shall be cumulative remedies and shall not prejudice any other rights or remedies of JPL contained in the Contract or at law or the right of action or other remedy of JPL under any other contract between JPL and the Customer for the recovery of any sums due to JPL from the Customer or in respect of any antecedent breach of the Contract by the Customer.

5. **Survival of Obligations**

5.1 It shall be further understood under these Conditions, that notwithstanding the complete performance of the Contract or the termination of the Contract insofar as it relates to the Customer, the terms and conditions of the Contract shall remain in full force and effect

between JPL and the Customer insofar as such terms and conditions shall remain unfulfilled or relevant.

6. The Contract

- 6.1 JPL shall provide and the Customer shall accept the Service and/or all the facilities thereunder in accordance with these terms and Conditions of Business in consideration of the payment according to the rates as provided under the tariff and any other circular or amendments in relation thereto issued by the relevant authorities from time to time.
- 6.2 Any Business undertaken by JPL may be carried out by its authorized servants or agents, in which event all rights and protection from liability afforded to JPL by the terms and Conditions of Business shall also be afforded to such persons.

7. Termination for urgent reasons

- 7.1 Notwithstanding the other provisions to the contrary, JPL may terminate the Business forthwith at any time without any claim or charge by the Customer if JPL has urgent reasons for so doing.
- 7.2 Such urgent reasons shall include but not be limited to the following:-
- I. If the Customer shall fail to observe or perform any of its obligations under the Business and shall not remedy its failure within a reasonable time after JPL has notified the Customer of such failure;
 - II. If JPL shall be of the opinion that the presence of the Customer's Goods at any of JPL premises may lead to any claim against JPL, its servants or agents;
 - III. if JPL shall be prevented from providing the Service or if the Service shall become unsuitable in any way for use due to any Force Majeure.

PART 2

8. JPL's Role

- 8.1 The Service is provided by JPL as an agent except in the following circumstances where JPL acts as a principal:

- I. Where JPL performs any carriage, handling or storage of Goods but only to the extent that the carriage is performed by JPL itself or its servants and the Goods are in the actual custody and control of JPL; or
- II. Where prior to the commencement of any carriage, handling or storage of Goods, the Customer in writing demands from JPL particulars of the identity, services or charges of persons instructed by JPL to perform part or all of the carriage, JPL shall be deemed to be contracting as a principal for that part of the carriage in respect of which JPL fails to give such particulars demanded within (14) days of JPL's receipt of such demand; or
- III. To the extent that JPL expressly agrees in writing to act as a principal;
- IV. To the extent that JPL is held by a court of law to have acted as a principal.

9. JPL As Agent

- 9.1 To the extent that JPL acts as an agent, JPL does not make or purport to make any contract with the Customer for the carriage, storage or handling of the Goods nor for any other physical service in relation to them and acts solely on behalf of the Customer in securing such services by establishing contracts with third parties so that direct contractual relationships are established between the Customer and such third parties.
- 9.2 JPL shall not be liable for the acts and omissions of such third parties referred to in Condition 9.1.
- 9.3 JPL when acting as an agent has the authority of the Customer to enter into contracts on the Customer's behalf and to do such acts so as to bind the Customer by such contracts and acts in all respects notwithstanding any departure from the Customer's instructions.
- 9.4 Except to the extent caused by JPL's negligence, the Customer shall defend, indemnify and hold harmless JPL in respect of all liability, loss, damage, costs or expenses arising out of any contracts made in the procurement of the Customer's requirements.

10. JPL As Principal or As A Multimodal Operator

- 10.1 To the extent that JPL contracts as principal for the performance of the Customer's instructions, JPL undertakes to perform or in its own name

to procure the performances of the Customer's instructions and subject to the provisions of these Conditions shall be liable for the loss of or damage to the Goods occurring from the time that the Goods are taken into its charge until the time of delivery.

- 10.2 Notwithstanding other provisions in these Conditions, if it can be proved where the loss of or damage to the Goods occurred, JPL's liability shall be determined by the provisions contained in any International Convention or national law, the provisions of which:-
- I. cannot be departed from any private contract, to the detriment of the claimant, and
 - II. would have applied if the claimant had made a separate and direct contract with the actual provider of the particular service in respect of that service or stage of carriage where the loss or damage occurred and received as evidence thereof any particular document which must be issued if such International Convention or national law shall apply.

11. Sub-contract

- 11.1 JPL, in addition to acting for itself, also acts as agent of and trustee for each of its servants, agents and sub-contractors so they are entitled to the full benefit of the Conditions, including any exclusions or limitations of liability, to the same extent as JPL

12. Special Instructions, Goods and Services

- 12.1 Unless otherwise previously agreed in writing, the Customer shall not deliver to JPL or cause JPL to deal with or handle prohibited Goods or Dangerous Goods.
- 12.2 If the Customer is in breach of Condition 12.1, he shall be liable for all loss or damage in whatsoever manner caused by or to or in connection with the Goods howsoever arising. The Customer shall defend, indemnify and hold harmless JPL against all penalties, claims, damages, costs and expenses whatsoever arising in connection therewith and the Goods may without notice be destroyed or otherwise dealt with at the sole discretion of JPL or any other person in whose custody they may be at the relevant time.
- 12.3 If JPL agrees to accept Dangerous Goods and then, in the opinion of JPL or any other person, they constitute a risk to other goods, property, life or health, the Dangerous Goods may without notice be destroyed or otherwise dealt with at the expense of the Customer or Owner.

- 12.4 The Customer undertakes not to tender for transportation any Goods that require temperature control without previously giving written notice of their nature and particular temperature range to be maintained.
- 12.5 If the above requirements in this Condition are not complied with by the Customer, JPL shall not be liable for any loss of or damage to the Goods caused by such non-compliance.

13. Obligations of Customer

- 13.1 The Customer warrants that he is either the Owner or the authorized agent of the Owner of the Goods and that he is authorized to accept and is accepting these Conditions not only for himself but also as agent for and on behalf of the owner of the Goods.
- 13.2 The Customer warrants that he has reasonable knowledge of matters affecting the conduct of his business and all other matters relating thereto.
- 13.3 The Customer shall give sufficient and executable instructions.
- 13.4 The Customer warrants that the description and particulars of the Goods are complete and accurate.
- 13.5 The Customer warrants that the Goods are properly packed, marked, labeled and stowed in a manner appropriate to any operations or transactions affecting the Goods and the characteristics of the Goods except where JPL has accepted instructions in respect of such services.
- 13.6 The Customer shall not tender for the Service any explosive Goods or Goods which are or may become dangerous, inflammable or radioactive or offensive or damaging in nature either to itself or other property or persons including firearms, ammunitions and explosives, Goods so dangerously packed that may encourage the habitation of other animals, micro-organisms or fungi or likely to involve detention to itself or persons or any property, effect hindrance in any manner whatsoever to the performance of the contract without first presenting to JPL a full written description disclosing the nature of those Goods.
- 13.7 The Customer undertakes that when Goods are presented for warehousing, the Goods shall be securely and properly packed in compliance with any statutory regulations or official or recognized standards and in such condition as not to cause damage or injury or the likelihood of damage or injury to the property of JPL or to any other goods, whether by spreading of damp, infestation, leakage or the escape of fumes or substances or otherwise howsoever.

- 13.1 Before presentation of the Goods for warehousing, the Customer shall inform JPL in writing of any special precautions necessitated by the nature, weight or condition of the Goods and of any statutory duties specific to the Goods with which JPL may need to comply.

14. Containers

- 14.1 It is the duty of the Customer to make sure that any Container provided is fit for the purpose it is required for and JPL is not liable for the unsuitability or defective condition of the Container which could not be reasonably foreseen by any reasonable haulage operator in the logistics industry.

15. Customer's Warranties and Indemnities

- 15.1 The Customer warrants:-
- i. That it has fully and adequately declared and described the Goods as to whether the Goods are prohibited Goods, their nature, weight and measurements and complied with all applicable laws and regulations required by the relevant jurisdiction (including Customs, Health and Environmental authorities' law and regulations and the Malaysian Code for the Transport of Dangerous Goods by Road and Rail and IMDG Code about the notification, classification, description, labeling, transportation and packaging of the Goods) and that, given their nature, the Goods are packed in a proper way to withstand the ordinary risks of the Service.
 - ii. The person delivering the Goods to JPL for the Service is authorized to do so and to sign this contract.
 - iii. It is either the Owner or the authorized agent of the Owner of the Goods and it accepts these Conditions for itself and the Consignee as well as for any other person for whom the Customer is acting.
 - iv. Without prejudice to the other Conditions of this Contract, the Customer shall indemnify JPL against all consequences suffered by JPL (including but not limited to claims, demands, proceedings, fines, penalties, damages, costs, expenses and loss of or damage to other properties or Goods) of any error, omission, misstatement or misrepresentation by the Customer or other owner of the Goods by any servant or agent of either of them, insufficient or improper packing, labeling or addressing of the Goods or fraud.

PART 3

16. No Responsibility for Departure or Arrival Dates

- 16.1 Unless otherwise previously agreed in writing that the Goods shall depart or arrive by a particular date, JPL accepts no responsibility for departure or arrival dates of Goods, whether or not any such delay is caused by the negligence of JPL and/or its servants or agents.

17. JPL's Liability For Goods And Other Losses

- 17.1 JPL excludes liability for any claim relating to loss, damage, deterioration, delay, non-delivery, mis-delivery, unauthorized delivery or non-compliance with instructions of or to or in connection with the Goods. This exclusion does not apply if a Claim arises from the neglect or willful act or default of JPL, its employees or sub-contractors. In any case in respect of which a claim arises, JPL's liability shall not exceed the amount as stated in Condition 19. In no case shall JPL be liable for any loss of profit or indirect or consequential loss of any kind.

18. Exclusions

- 18.1 Without prejudice to the generality of all other Conditions in this Contract, JPL is not liable for any loss or damage to the Goods if it is found that the Customer has breached any Conditions of the same or any oral or written promise or undertaking, any cause or events which JPL could not avoid or be prevented by the exercise of reasonable care, seizure or forfeiture under legal process, error, act, omission, misstatement or misrepresentation by the Customer or other owner of the Goods or by servants or agents of either of the Customer or owner, the wrongful act or neglect of the Customer, inherent liability to wastage in bulk or weight, latent defect, inherent defect, vice or natural deterioration of the Goods or contamination of the Goods, any handling, loading, unloading or storage by the Customer or its agents, insufficient or improper packing, insufficient or improper labeling or addressing, Customer or any Consignee not taking or accepting delivery within a reasonable time after the Goods have been tendered.

19. Limitation of Liability

- 19.1 Except in so far as otherwise provided by these Conditions, the liability of JPL howsoever arising and notwithstanding that such liability shall have arisen from the neglect or default of JPL or for any other matter of thing, shall not exceed:

- (a) in respect of all claims other than those subject to the provisions of Condition 19.2(b), the lesser of:
 - (i) the value of the Goods lost, damaged, misdirected, misdelivered in respect of which a claim arises, or
 - (ii) Ringgit Malaysia Five (RM5.00) per gross kilogram of the said Goods,
 - (iii) not exceeding Ringgit Malaysia One Hundred (RM100,000.00) in any event whatsoever in respect of any one claim, and
- (b) in respect of claims for delay where not excluded by the provisions of these Conditions, the amount of JPL's charges for the Service in respect of the Goods delayed.

19.2 For the purposes of Conditions 19.2 and 19.3, the value of the Goods:

- (a) shall be calculated by reference to the invoice value of the Goods plus freight and insurance if paid; and
- (b) if there is no invoice value for the Goods, the value shall be calculated by reference to the value of such Goods at the place and time when they are delivered to the Customer or Owner, their assignees or such persons as instructed by the Customer or Owner, their assignees or such persons as instructed by the Customer or the time when the Goods should have been delivered. The value of the Goods shall be fixed according to the current market value or commodity exchange price, by reference to the normal value of Goods of the same kind and quality.

19.3 By special arrangement as agreed in writing, JPL may accept liability in excess of the limits in the preceding Conditions upon the Customer agreeing to pay JPL's additional charges for accepting such increased liability.

- 19.4 (a) JPL shall be discharged of any liability whatsoever unless:
- (i) notice of any claim is received in writing by JPL or its agents within seven (7) days after the date specified in (b) below; and
 - (ii) suit is brought in the proper forum and written notice thereof received by JPL within twelve (12) months after the date specified in (b) below.
- (b) The date referred to in Condition 19.4(a) above shall:

- (i) in the case of damage to Goods, be the date of delivery of the Goods and in the case of the loss of the Goods, be the date the Goods should have been delivered;
- (ii) in the case of delay or non-delivery of the Goods, the date that the Goods should have been delivered; and
- (iii) in any other case, the event giving rise to the claim.

19.5 The liability of JPL in respect of Goods carried by road, rail, cross-border shipment, sea and air shall be governed by Conditions expressed in Part 6 herein.

20. Notice of Loss and Time bar

20.1 JPL shall be discharged of all liability unless:

- a. Notice of claim is lodged in writing within three (3) days of the date of delivery or for non-delivery within three (3) days of the anticipated date of delivery.
- b. A reasonable notice of less than three (3) days has been given of the date of delivery or for non-delivery of any perishable Goods.
- c. The failure to notify a claim within a time under Condition 20.1.a. is evidence of satisfactory performance by JPL of its obligations.
- d. JPL shall be discharged from all liability whatsoever for loss or damage or the services unless an action is brought within twelve (12) months of completion of the Service or the anticipated date of the completion of the Service.
- e. Time is of the essence in relation to time specified in the Conditions.

21. Force Majeure

21.1 JPL is not liable for the performance of the Contract if it is unable to perform its obligation or may effect termination of the Contract due to an event of Force Majeure or any other impossible or supervening events. In the event of the same, the Customer shall endeavour to assist JPL in whatever ways to mitigate any effect that the same might have on the performance of the Contract of both parties.

21.2 In the event of such an incident, JPL shall be relieved of its contractual obligations to the extent that their performance is prevented by, or their non-performance results wholly or partly, directly or indirectly from the

act, neglect, default of the Customer, including any breach by the Customer of these Conditions.

22. Insurance

- 22.1 The Customer shall at all times ensure that they have purchased or obtained full insurance cover for the Goods including the Container holding the Goods to cover against all risks to the full insurable value. The insurance cover shall include the entire journey from receipt until delivery of the Goods up to and including any transit, temporary stoppage and/or staging, partial loading/unloading period. The Customer shall provide proof of such insurance cover to JPL on request.
- 22.2 Should the insurers dispute their liability for any reason the insured shall have recourse against the insurers only. JPL shall not have any responsibility or liability whatsoever in relation to the insurance notwithstanding that the premium upon the policy may not be at the same rate as that charged by JPL or paid to JPL by its customers.
- 22.3 The Customer shall not deduct in any manner either by direct debit or contra of account or any other method that reduces the payments due to JPL for the Service rendered, in any effort to set-off claims for loss, damage or penalties for delays and any other costs which may arise.
- 22.4 If JPL considers that the insurance cover obtained by the Customer is inadequate, the Customer shall agree to bear the full risks associated with the service rendered for the Goods.

All insurance effected by JPL is subject to the usual exceptions and conditions of the policies of the insurance company or underwriters taking the risk.

PART 5

TARIFF AND OTHER CHARGES

23. TARIFF AND CHARGES

- 23.1 In consideration of the provision of the Service by JPL, the Customer shall pay to JPL:
- (a) all dues, charges and other sums which are either based on JPL's prevailing Tariff or on mutual agreement between the Parties or as may be imposed by JPL under the law;

- (b) any costs, charges, and expenses which may be incurred by JPL in complying with any Government or the Authority's regulations, including but not limited to Customs duty, excise duty and costs (including any fine or penalty) which JPL becomes liable to pay, supply or pay for labour or machinery or both to facilitate loading, unloading and maintenance of the Goods or for works relating to the protection of the Goods, and any additional freight to JPL if the Goods are found to be exceeding the declared weight or measurement when re-weighed or re-measured at any time.
 - (c) any costs, charges and expenses as may be incurred by JPL following the requirements of the law, regulations, order or prevailing conditions in the local or foreign jurisdictions where the Goods are consigned or exported or imported and shall take into account the costs in respect of the market, port, railway, road, shipping, customs, excise, or warehousing requirements as dictated by the Customs, provided that for any additional charges incurred by JPL due to any recent requirements of the law by the authorities shall take effect according to the date determined by law and shall be imposed accordingly by JPL upon the Customer with or without notice.
 - (d) any requirement for the movement, treatment, removal or destruction of dangerous or obnoxious Goods, infested, contaminated or condemned Goods or the treatment of JPL's premises as a result of any infestation or contamination arising from such Goods; and
 - (e) all costs and expenses incurred by JPL arising out of or incidental to the failure by the Customer to observe these Conditions.
- 23.2 JPL's Tariff shall include expenses and charges as may be incurred by JPL following the requirements of the law, regulations, order or prevailing conditions in the local or foreign jurisdictions where the Goods are consigned or exported or imported and shall take into account the costs in respect of the market, port, railway, road, shipping, customs, excise, or warehousing requirements as dictated by the Customs, provided that for any additional charges incurred by JPL due to any recent requirements of the law by the authorities shall take effect according to the date determined by law and shall be imposed accordingly by JPL upon the Customer with or without notice.
- 23.3 All sums of whatever nature due from the Customer to JPL pursuant to the Service shall be:-
- (a) payable without demand and without deduction not later than the date for payment stipulated in the invoice issued by JPL or

under any contract or agreement, as the case may be; and

- (b) recoverable against the Goods and any other property delivered by the Customer to JPL under any other contract or arrangement made between JPL and the Customer.
- (c) Except in case of the Customer holding a ledger account in accordance with the following Clause 25., all charges shall be payable in cash.
- (d) Cheques shall not be accepted in any payment to JPL except by special arrangement with JPL.
- (e) Where a credit facility is available under Clause 25. to JPL, account in respect of such credit facility shall be settled within thirty (30) days from the date on which such an account is dispatched.
- (f) An account which is not settled within the period of thirty (30) days shall be subject to a surcharge of two per cent (2%) thereof and any account which is not settled within a subsequent period of thirty 30 days shall be subject to a further surcharge of two per cent (2%) thereof.

24. Cancellation of Service

24.1 Any notice for cancellation of the Service by the Customer shall be given:

- (i) not less than forty-eight (48) hours prior to the scheduled delivery of the Goods for transportation by rail or road,
- (ii) not less than seventy-two (72) hours for Cargo to be stored in JPL's warehouses.
- (ii) within the time frame specified in the Charter Party or the Booking Note in respect of transportation by sea , and
- (iii) within the time frame specified in the Bill Lading or the Booking Note in respect of transportation by air.

24.2 Should notice for cancellation be given less than the time stipulated in Condition 24.1, then JPL shall be entitled to:

- (a) charge the Customer for any costs, expenses and losses whatsoever incurred by JPL in the course of proceeding with the Service for transportation by road and or rail,
- (b) charge the Customer for the any cost, expenses and losses

incurred by JPL for any warehouse space allocated to the Customer, but not utilised by the Customer and or

- (c) charge the Customer for any costs, expenses and loss incurred at rates as shall be specified in the Charter Party or the Booking Note in respect of transportation by sea and by air.

25. Traders Ledger Account and Other Securities

- 25.1 JPL may require the Customer to open and maintain for the duration of the Service, an account with JPL's Finance Department subject to the terms and conditions provided in the Tariff.
- 25.2 In addition, the Customer is required to execute and enter into a Traders Ledger Agreement with JPL prior to engaging or transacting in any Service with Company. Such Traders Ledger Agreement shall remain valid for the duration of the Service and shall be deposited with JPL's Finance Department.
- 25.3 Notwithstanding anything to the contrary, the Customer shall furnish security for a sum as specified and in a form approved by JPL for the prompt and proper performance and observance by the Customer of these Conditions (including the obligation to pay the charges under the Tariff and other payment(s) due).
- 25.4 Access to the Applications (which shall be inclusive of User ID passwords, digital signature application or any other security access measures as directed by JPL from time to time) shall only be granted by JPL after the Customer has executed the Traders Ledger Agreement (if so required) and has furnished security for a sum as specified and in a form approved by JPL (if so required) as stipulated above.
- 25.5 Notwithstanding anything to the contrary, JPL shall, at its entire discretion, have the right to suspend the Service in the event the payment due exceeded the cash deposit or the Bank Guarantee.
- 25.6 Time shall be of the essence for the purposes of this Part of the Conditions.

26. UNDERCHARGE

- 26.1 JPL shall be entitled to collect any amount which may be ascertained to have been undercharged or which may otherwise be found to be due and shall demand in writing the payment of any such amount within three (3) years from the date the Service is completed.

27. OVERCHARGE

- 27.1 The Customer shall not be entitled to a refund of any overcharge unless he refers in writing to JPL within one (1) year from the date the delivery bill, shipment bill or any other bill is issued to him, and he gives full information supported by such other documentary evidence as may be required.
- 27.2 Where any goods have been measured or weighed by JPL, no claim for any refund shall be accepted by JPL unless the Customer claiming the refund has disputed the measurement or weight of the Goods at the time the Goods were measured or weighed.

28. Demurrage Charges

- 28.1 Demurrage based on the rates stipulated in the tariff will be incurred by the Customer if:-
- a. subject to these Conditions, containers/wagons are not loaded or unloaded within twenty-four (24) hours from the time they are placed in position for loading or unloading.
 - b. If containers/wagons arrive at a station and are placed in position between 1700 and 1800 hours, the latter hour shall, for the purpose of calculating demurrage charges be considered the hour at which the wagons are placed. If containers/wagons are placed on a public holiday, demurrage will be calculated from 0800 hours the following working day. Public holidays falling within the period of detention will be excluded and not subject to demurrage charges. No free period is allowed on wagons ordered but not used.
 - c. Containers/Wagons once placed and subsequently re-shunted to another place at the request of the consignor or the consignee will be charged demurrage after the expiry of the free period calculated from the original time of placing.
 - d. Demurrage may be charged on wagons detained at the Railway yards either on instructions of the consignor or consignee or because of lack of room where placement is to be made.

PART 6

29. Carriage and delivery of Goods by road

- 29.1 For the carriage and delivery of Goods by road, the Pan Malaysia Lorry Owners' Association Standard Trading Conditions and Container Haulier Association of Malaysia as may be amended from time to time shall apply.

30. Carriage and delivery by rail

- 30.1 For the carriage and delivery by rail within Peninsula Malaysia, the conditions of carriage shall be based on the laws, regulations and conditions specified in the Railway Ordinance 1948 as may be amended from time to time shall apply.

31. Carriage and delivery of Goods by cross-border shipment

- 31.1 For the carriage and delivery of Goods by cross-border shipment, between Peninsular Malaysia and Thailand or to other bordering Asean Countries, the laws, rules, regulations and conditions prevalent in Thailand and other bordering countries shall apply.

32. Warehousing

- 32.1 The Customer Undertakes that:-
- a. When presented for warehousing, the Goods shall be securely and properly packed in compliance with any statutory regulations or officials or recognized standards and in such condition as not to cause damage or injury or the likelihood of damage or injury to the property of JPL or to any other goods, whether by spreading of damp, infestation, leakage or the escape of fumes or substances or otherwise howsoever.
 - b. Before presentation of the Goods for warehousing, the Customer shall inform JPL in writing of any special precautions necessitated by the nature, weight or condition of the Goods and of any statutory duties specific to the Goods with which JPL may need to comply.
 - c. Unless prior to acceptance of the Goods by JPL, JPL receives written notice containing all appropriate information, none of the Goods are or contain substances the storage of which would require the obtaining of any consent or licence or which, if they escaped from their packing, would or may cause pollution of the environment or harm to human health.

- d. Notwithstanding any notice under Condition 32.1, if there is a breach of contract by the Customer, the Customer shall indemnify JPL against any losses or damage it suffers which is related to the breach, and shall pay all costs and expenses incurred in, and JPL's reasonable charges for, dealing with the breach and its consequences.
- e. The Customer shall make arrangements to cover the Goods against all risks to the full insurable value.

33. Right to Sell or Dispose of the Goods

- 33.1 If at anytime the performance of JPL's obligations, in the opinion of JPL or any person whose services JPL makes use of, is or is likely to be affected by any hindrance, risk, delay, difficulty, or disadvantage whatsoever and which cannot be avoided by reasonable endeavours by JPL or such other person, JPL may, on giving notice in writing to the Customer or owner or without notice where it is not reasonably possible to give such notice, treat the performance of its obligations as terminated and place the Goods or any part of them at the Customer or owner's disposal at any place which JPL may deem safe and convenient, whereupon the responsibility of JPL in respect of the Goods shall cease. The Customer shall be responsible for any additional costs of carriage to, and delivery and storage at, such place and all other expenses incurred by JPL.
- 33.2 If the Customer or Owner does not take delivery of the Goods or any part thereof at the time and place when and where JPL, or any person whose services JPL makes use of, is entitled to call upon the Customer or Owner to take delivery thereof, JPL or such other person shall be entitled, without further notice, to store the Goods or any part of the Goods in the open or under cover at the sole risk and expense of the Customer, such storage shall constitute delivery of the Goods and the liability of JPL shall wholly cease.
- 33.3 Notwithstanding preceding Conditions, JPL shall be entitled, but under no obligation, at the expense of the Customer payable on demand and without any liability to the Customer and owner, to sell or dispose of:-
 - a. on giving fourteen (14) days notice in writing to the Customer all Goods which in the opinion of JPL cannot be delivered as instructed; and
 - b. without notice Goods which have perished, deteriorated or altered, or are liable to do so, in a manner which has caused or may be reasonably expected to cause loss or damage to any person or property or to contravene regulations or requirements.

34. Lien

34.1 JPL shall have a general and particular lien on all Goods and/or documents relating to Goods in its possession for all sums of whatsoever kind and nature due at any time from the Customer or owner and on giving fourteen (14) days notice in writing to the Customer, shall be entitled to sell or dispose of such Goods and/or documents at the expense of the Customer and without any liability to the Customer and Owner and apply the proceeds in or towards the payment of such sums. Upon accounting to the Customer for any balance remaining after payment of any sum due to JPL and the costs of sale or disposal JPL shall be discharged of any liability whatsoever in respect of the Goods and/documents. If on the sale of the Goods the proceeds fail to realize the amount due, JPL shall be entitled to recover the difference from any of the parties included in the terms for the Customer or Owner.

35. JPL's Rights To Remove, Sell Or Destroy The Goods Or Lien On The Goods

- a. The Goods shall be removed by the Customer from the custody or control of JPL at such date as may have been agreed between the parties. In the absence of such agreements, and otherwise where reasonably necessary, JPL may at any time by notice in writing to the Customer require the removal of the Goods within fourteen (14) days from the date of such notice or, in the case of perishable goods, within three (3) days. Alternatively, if JPL suspects a breach by the Customer of this contract or of any undertaking under this Condition, it may demand the immediate removal of any Goods held for the Customer, or itself arrange their removal without notice, at the Customer's expense.
- b. In the event of failure by the Customer to pay any amount due to JPL or to remove any of the Goods from the custody or control of JPL at the due time, JPL may, without prejudice to its other rights and remedies against the Customer, give notice in writing to the Customer of JPL's intention to sell or otherwise dispose of the Goods at the Customer's entire risk and expense.
- c. Further, JPL shall have on the Goods a particular lien, as well as a general lien entitling it to retain the Goods as security for payment of all sums due from the Customer on any account (relating to the Goods or not). Storage charges shall continue to accrue on any Goods detained under lien.

36. Carriage of Goods By Sea

- 36.1 Notwithstanding other provisions in these Conditions, if it can be proved that the loss of or damage to the Goods occurred at sea or inland waterway, JPL's liability shall be determined by the terms of the Bill of Lading issued in respect of the Goods based on the governing law of the jurisdiction, whether it be the Hague Rules or Hague-Visby Rules or Hamburg Rules or the Malaysian Shipping Ordinance 1952 or the relevant Carriage of Goods by Sea Act, whichever is applicable.
- 36.2 Notwithstanding Condition 36.1 if the loss or damage to the Goods occurred at sea or inland waterway and the Owner of the vessel, charterer or operator of the vessel establishes a limitation fund, the liability of JPL shall be limited to the proportion of the said limitation fund allocated to the Goods.

37. Both-to-Blame Collision Clause

- 37.1 The Both-to-Blame Collision Clause is incorporated and deemed to form part of these Conditions. If the vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act of negligence or default of the master, Marines, Pilot or the servants of the Carrier in the navigation or in the management of the vessel, the Merchant will indemnify the carrier in the navigation or in the management of the vessel, the Merchant will indemnify the Carrier against all loss or liability to the other or non-carrying vessel or her Owners insofar as such loss or liability represents loss of or damage to or any claim whatsoever of the Owner of the said goods paid or payable by the carrying vessel or her Owner as part of his claim against the carrying vessel or carrier.

38. General Average

- 38.1 The Customer shall indemnify JPL in respect of any claims of General Average nature which may be made on him and shall provide such security as may be required by JPL in this connection.

39. Carriage of Goods By Air

- 39.1 If JPL acts as a principal in respect of a Carriage of Goods By Air, the Warsaw Convention may be applicable and the Convention governs and in most cases limits the liability of carriers in respect of loss of or damage to cargo.

PART 7

40. JPL Providing Services for Cleaning, Maintenance, Repair or Storage of Containers and any services connected therewith

- 40.1 Subject to any legislation which is compulsorily applicable to any business undertaken, JPL shall not be liable for any improper performance of its Service or the consequence arising therefrom, except to the extent provided in these Conditions.
- 40.2 JPL's liability shall not exceed the reasonable cost of rectifying the services improperly or not performed by JPL, subject to a limit per container of that container's market value.
- 40.3 At JPL's sole option, JPL may rectify at its own expense the services improperly or not performed. If JPL exercise this option, or is not given the opportunity by the Customer to exercise this option, JPL shall not be liable for any costs incurred by the Customer in rectifying such services.
- 40.4 The Customer undertakes to inspect the Container on redelivery to the Customer or person acting own its behalf. JPL shall not be liable and the Customer shall defend, indemnify and hold harmless JPL against any loss. Damage, liability, cost and expense in respect of or arising from an improper or non-performance of JPL's services which would have been apparent upon reasonable inspection of the Container at the time of redelivery.
- 40.5 JPL shall be discharged of all liability unless;
- a. notice of any claim is received by JPL in writing within (7) days, and
 - b. suit is brought in the proper forum and written notice thereof received by JPL within twelve (12) months after the date of redelivery of the Container to the Customer or person acting own its behalf.

41. Miscellaneous

- 41.1 Any notice served by post shall be deemed to have to be given on the third day following the day on which it was posted to the address of the recipient of such notice last known to JPL.
- 41.2 The defences and limits of liability provided for in these Conditions shall apply in any action against JPL whether such action be founded in contract or tort.

- 41.3 If any legislation or Convention is compulsorily applicable to any business undertaken, these Conditions shall, as regards such business, be read as subject to such legislation or Convention and nothing in these Conditions shall be construed as a surrender by JPL of any of its rights or immunities or as an increase of any of its responsibilities or liabilities under such legislation or Convention and if any part of these Conditions be repugnant to such legislation or Convention to any extent such part shall as regards such business be overridden to that extent and no further.
- 41.4 Headings of clauses or groups of clauses in these Conditions are for indicative purposes only.
- 41.5 Should any clause, or part of a clause, be found to be void or unenforceable, the remainder of that clause or section of the contract shall remain unaffected.

42. Jurisdiction and Governing Law

- 42.1 Any claim or disputes arising out of or in connection with the Service shall be submitted to the exclusive jurisdiction of the Malaysian Courts or to the Regional Centre for Arbitration in Kuala Lumpur.
- 42.2 These Terms and Conditions shall be governed by and interpreted in all respects in accordance with the laws in force in Malaysia.
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