The terms and conditions contained herein have been reviewed and recommended by the U.S. Agency for International Development (hereinafter “USAID”) and the U.S. Department of Agriculture (hereinafter “USDA”) as the standard terms and conditions applicable to mark and count cargo bookings under U.S. Government funded food aid programs administered by these agencies. This document, when incorporated by reference or as an attachment to the U.S. FOOD AID BOOKING NOTE for Packaged Commodities Part I (hereinafter “PART I”), forms an integral part of the contract of carriage of the cargoes described in PART I. The terms and conditions contained herein apply to such shipments, except to the extent there are exemptions, modifications, or additional terms added in PART I, which supersede the terms and conditions contained herein.

1. LOAD/Delivery TERMS

2 Cargo to be loaded at Carrier’s time, risk, and expense with no demurrage/ no despatch/no detention in accordance with the following provisions. The applicable load / delivery terms for each parcel are to be noted in PART I of this booking note:

(A) FAS VESSEL NAMED PORT OF LOADING (POL)

2 Cargo will be delivered to the Carrier at the first point of rest within a USDA approved transport terminal within the commercial limits of the named port of loading free of expense to carrier including any wharfage assessed against the cargo by the governing port authority and/or receiving terminal. The Carrier is to nominate the transport terminal in writing within 3 business days after the Carrier receives written notification from the Shipper or its agent.

(B) INTERMODAL – PLANT – POINT OF ORIGIN (POO)

1 (As designated by letter “R” preceding point of origin) — The cargo shall be delivered to the Carrier at the named plant on the named day of origin, free of expense to the Carrier. The Carrier shall be responsible for the costs of transportation from said named point of loading to the U.S. port of export and at the cost of loading the cargo on board the ocean going vessel. Carrier must provide suitable conveyances to comply with the loading capabilities and capacity at the intermodal plant. Any costs incurred including but not limited to competitive rates, damages and storage, for failing to provide suitable conveyances incurred due to the failure to provide this information. The transport terminal can be a freight station, a container terminal or yard, a multipurpose cargo terminal, on the quay along side the vessel at the FAS port or any similar receiving point.

(C) INTERMODAL – BRIDGE – POINT OF ORIGIN (POO)

1 (As designated by Letter “B” preceding point of origin) — Carrier is to provide a port warehouse or CFS at the point of origin. The Carrier must ensure that the containers are placed at the commencement of the shipping period and containers are supplied on a continuous basis, or as otherwise mutually agreed between parties, until the contract quantity is fulfilled.

3 (D) INTERMODAL – LAKES – POINT OF ORIGIN (POO)

1 MSA Sec. 17 cargo as designated by Letter “L” preceding point of origin)

4 — Carrier is to nominate the marine cargo terminal at the named Lakes Point. The Carrier’s named terminal must be approved by USDA for handling MSA cargo. The cargo shall be delivered to the Carrier in rail cars, trucks or trailers at the Carrier’s named marine cargo terminal free of cost to Carrier. The Carrier is responsible for unloading the cargo from the conveyances at the named marine cargo terminal and loading the cargo onto an ocean going vessel or barge or trans-loading the cargo into ocean going conveyances. If the cargo is delivered to the nominated warehouse, the cargo is to be delivered to the nominated warehouse with any additional expenses incurred by the Carrier.

5 (E) PRE-POSITIONED CARGO – PORT OF LOADING (POL)

1 (As designated by Letter “P” preceding pre-position port) Cargo to be made available to the Carrier at the location as specified in the freight tender (or in the case of Lake Charles as provided herein). Upon notification to USDA/KCOCO of vessel contract award, carrier will be notified by the Shipper’s agent within (2) working days as to the exact location of all cargo contracted for cargo. The Carrier will then have four (4) working days to accept or reject the commodity. If the commodity is not accepted within the time frame the same has been accomplished; the Carrier will have 24 hours to inspect the received commodity. The Carrier (or its agents or stevedores) shall sign non-negotiable dock receipts, indicating acceptance of the cargo in good order. Upon this acceptance, cargo is deemed to be in a delivered position and becomes the full responsibility of the contracted Carrier. The cargoes moving directly from rail cars or trucks to the vessel are considered to be FAS cargoes.

6 For pre-position cargo loading in Lake Charles, LA the cargo will be made available to the Carrier from point of origin within (2) working days as to the exact location of all cargo contracted for cargo. The Carrier is to provide this information to USDA/KCOCO. Sheds 1, 2, 3, and 150 are to be considered as one berth. Sheds 4, 5, and 6 are to be considered as one berth. Sheds 7 and 8 are to be considered as one berth. Sheds 15 is to be considered as one berth.

7 For pre-position cargo loading at Lake Charles, LA, the cargo will be made available to the Carrier from point of origin within (2) working days as to the exact location of all cargo contracted for cargo. The Carrier is to provide this information to USDA/KCOCO. Sheds 1, 2, 3, and 150 are to be considered as one berth. Sheds 4, 5, and 6 are to be considered as one berth. Sheds 7 and 8 are to be considered as one berth. Sheds 15 is to be considered as one berth.

8 For pre-position cargo loading in Lake Charles, LA, the cargo will be made available to the Carrier from point of origin within (2) working days as to the exact location of all cargo contracted for cargo. The Carrier is to provide this information to USDA/KCOCO. Sheds 1, 2, 3, and 150 are to be considered as one berth. Sheds 4, 5, and 6 are to be considered as one berth. Sheds 7 and 8 are to be considered as one berth. Sheds 15 is to be considered as one berth.

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9. DISCHARGE/Delivery TERMS

1 Cargo to be discharged at Carrier’s time, risk and expense with no demurrage/ no despatch/no detention, with the cargo being delivered to Receivers in accordance with the following provisions. The applicable discharge / delivery terms for each parcel are to be noted in PART I of this booking note:

10 (A) Delivered to place of rest at discharge port:

1 (i) Breakbulk: The cargo is to be delivered to Receiver/Consignee at place of rest end of hook, along side vessel. If cargo has been containerized for Carrier convenience, the containers are to be discharged and moved to a shed designated by the port or the Carrier’s container freight station (CFS), where the Carrier is responsible to deliver the cargo and to make it available to the Receiver at a place of rest in the CFS.

13 (ii) Containerized: Containers are to be delivered to the Receiver/Consignee at place of rest at the Carrier’s or port’s container yard (CY), as applicable. Unless otherwise stipulated in PART I of this booking note, the amount of free time on containers is ten (10) calendar days.

10 (B) Delivered to port warehouse or CFS:

1 (i) Breakbulk: The cargo is to be placed into the warehouse(s) within the port area.

13 (ii) Containerized: Containers are to be discharged and moved to the Carrier’s CFS where the Carrier is responsible to de-van the cargo and to make it available to the Receiver at a place of rest in the CFS.

10 (C) Warehouse delivery (Breakbulk or Containerized):

14 Delivery will be made in accordance with 2.1 (C)(i) or 2.1 (C)(ii), as specified in PART I, to the Receiver’s/Consignee’s warehouse(s), such warehouse(s) to be specified in PART I, or if the Receiver’s/Consignee’s warehouse(s) are not specified in PART I, then such warehouse(s) are to be within a radius of 25 kilometers from the centerpoint of the city or town specified as the delivery point in the contract.

15 Should nominated warehouse exceed the distance limitation as per above, Shippers may designate another warehouse within the distance limitation without penalty or make arrangements with the Carrier to deliver the cargo to the nominated warehouse with any additional expenses incurred by the Carrier. The Carrier will be responsible for the unloading of Carrier’s conveyance at the nominated warehouse and payable directly to the Carrier by the Shipper. After the warehouse(s) has been nominated, the Carrier must advise the Shipper within 3 working days if the warehouse is outside the distance limitation. If the Carrier does not advise the Shipper in writing within 3 working days, then Carrier forfeits its rights under this clause to request an alternate warehouse(s) that is within the distance limitation or to be paid for any additional expenses incurred there from. The terms contained in this paragraph apply to either of the delivery options listed below.

11 (i) Door Delivery: The cargo is to be delivered in Carrier’s conveyance at the door of the Receiver’s/Consignee’s warehouse(s) located outside the port area. The Receiver/Consignee is responsible for the unloading of Carrier’s conveyance at the nominated warehouse(s).

12 (ii) Floor Delivery: The cargo is to be unloaded from Carrier’s conveyance and stacked into Receiver’s/Consignee’s warehouse(s) located outside the port area at the Carrier’s expense.

13. STOWAGE

1 Breakbulk cargo shall be stowed and carried below deck unless otherwise provided herein or authorized in writing by the Shipper.

14. PORT OF EMBARKATION
Failure to Lift Cargo

In the event the vessel fails to lift all or part of the shipment as originally booked due to the fault or negligence of the Carrier, the carrier shall be responsible for all expenses resulting from such failure including but not limited to pier or warehouse storage, rail, truck and/or barge demurrage, inspection, fumigation and deterioration and re-procurement costs.

Cargo Disposal

The Carrier shall not dispose of the cargo in any manner except by delivery to the receiver/consignee at the scheduled port(s) of discharge without prior written approval of the Carrier.

Substitution

Vessel substitutions must be approved by the Shipper and USDA/USAID, as applicable, and cargo shall not be loaded onto unapproved substitute vessels.

Transshipment

Goods shall be carried by named vessel, or approved substitute as per_clause 7, from loading port to destination and shall not be transshipped unless service was contracted for under this booking note or prior written permission is received from the Shipper. If the cargo is to be transshipped, the originating Carrier shall issue a through bill of lading to cover the entire movement and agree to assume all risk and expense to final destination notwithstanding any provision of the bill of lading to the contrary.

Cargo Re-Let

The Carrier may re-let the cargo to other carriers or operators with the approval of the Shipper and USDA / USAID (as applicable).

Deviation in Mode of Delivery

Any deviation in mode of delivery (direct, relay or transshipment), without the prior approval of the Shipper, may result in an ocean freight revision to the lowest rate offered for an acceptable mode of delivery complying with the freight tender under which this contract was made.

For U.S. flag vessels only: If service provided under this contract is deemed by the U.S. Maritime Administration not to be U.S. flag service for cargo preference purposes, the contracted rate to be reduced to the lowest responsive foreign flag rate complying with the freight tender under which this contract was made. Carrier also agrees to refund the reduction, or to permit reimbursement to be made to USDA or USAID (as applicable).

Agents

Carriers are to have the right to appoint their own agents at both load and discharge ports.

Custom Clearance at Discharge Port

The Shippers/Receiver/Consignees are fully responsible for custom clearance of the cargo at the discharge port. If the cargo is to be delivered under a through bill of lading, the Carrier is to be responsible for any transit and/or cross border clearances; however, Shipper/Receiver/Consignee is to remain responsible for the final customs clearance of the cargo for the destination country.

Delay at Destination

Any expense which the Carrier may incur in connection with delivery of this shipment at destination as a result of delay to the vessel and/or Carrier’s equipment due to the receiver/consignee negligence shall be for the account of the receiver/consignee and the Carrier shall have no recourse against the Shipper on that account.

Notices

The Carrier shall notify the Shipper of the vessels position, status and ETA 5 days, 7, 5 days and 24 hours prior to the scheduled load date or in accordance with any other schedule as the Shipper may otherwise direct in PART I of this Booking Note. Failure to provide such reports will be considered a breach of this contract, and may result in cancellation of the booking including application of clause 5 (in the case of the 14 and 7 day notices) at the Shipper’s sole discretion.

On completion of loading the contracted cargo and upon the vessel sailing from the load port, Carrier shall provide Shipper or Shipper’s agent a sailing notice, stating vessel’s name, commodity, quantity loaded, bill of lading date, load port and estimated date of arrival at discharge port. The sailing notice is to be followed by the following notices of vessel ETA at discharge port of 10, 7, 3 days and 24 hours.

For containerized shipments, Carrier is to provide Shipper with the container location information within twenty four (24) hours of the request made by the Shipper.

Delay Assessments

If the Carrier determines that the vessel originally scheduled, or a substitute vessel approved by the Shipper, will be unable to lift urgent cargo within five (5) days of the contracted vessel’s ETA at load port as per PART I of this booking note, or for non-urgent cargo within ten (10) days, the Carrier shall promptly notify the Shipper and propose a later load date. If such notice is received less than twenty-one (21) days before the contracted vessel ETA, the Carrier shall either accept the later ETA or cancel the booking without cost to the Carrier. If the notice is received less than twenty-one (21) days before the contracted vessel ETA, the shipper shall either cancel the booking with the Carrier and the Carrier shall be responsible for all charges in accordance with clause 5 of this contract or, the Shipper may accept the later vessel ETA and apply the loading delay assessment, if applicable as per PART I of the Booking Note.

The Shipper may impose a loading delay assessment (LDA) in the form of a per metric ton per day reduction in the freight rate for each and every day between the contracted load date (the contracted load date is defined as the date that the vessel is estimated to arrive at the specified loading port), plus a ten (10) day grace period that the vessel fails to present at the first or sole loading port to load the cargo as specified in PART I of this Booking Note. If a LDA is to be imposed for any parcels under this booking note, then the LDA is to be specified in PART I of this Booking Note.

Fixed Day DDA – The Shipper may elect to impose a delivery delay assessment (DDA) in the amount stipulated in PART I of this Booking Note as per metric ton reduction in the freight rate for each day (or pro-rata of a 100 day) for that quantity of cargo which arrives at the discharge port or final delivery point, as applicable, beyond the latest delivery date specified in PART I of the Booking Note.

Transit Time DDA – Alternatively, the Shippers may elect to impose a DDA in the amount stipulated in PART I of this booking note, for all cargo which arrives at the first port within the discharge port range, beyond the allocated number of days for transit, as stipulated below from the time that the vessel has sailed foreign from the last U.S. load port.

In either the Fixed or Transit Time DDA’s, the DDA shall continue to be assessed until the cargo arrives at the discharge port or alternately at the final delivery point, whichever is applicable.

The following transit times are to apply to Transit Time DDA:

<table>
<thead>
<tr>
<th>Destination Country</th>
<th>Transit Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central America</td>
<td>15 Days</td>
</tr>
<tr>
<td>South America</td>
<td>15 Days</td>
</tr>
<tr>
<td>West Africa</td>
<td>40 Days</td>
</tr>
<tr>
<td>North Europe</td>
<td>25 Days</td>
</tr>
<tr>
<td>Mediterranean</td>
<td>25 Days</td>
</tr>
<tr>
<td>Black Sea</td>
<td>35 Days</td>
</tr>
<tr>
<td>Red Sea</td>
<td>40 Days</td>
</tr>
<tr>
<td>South/East Africa</td>
<td>45 Days</td>
</tr>
<tr>
<td>Middle East</td>
<td>45 Days</td>
</tr>
<tr>
<td>Far East</td>
<td>40 Days</td>
</tr>
</tbody>
</table>

If the Shipper elects to impose a Fixed Day DDA, then no LDA can be imposed under this clause.

For non-urgent cargoes, the LDA and/or the DDA shall be U.S. $1.00 per metric ton per day reduction in the freight rate for each day (or pro-rata of a 100 day) for that quantity of cargo which arrives at the discharge port or final delivery point, as applicable, beyond the latest delivery date specified in PART I of the Booking Note.

Any LDA and/or DDA will be deducted from the freight payment or reimbursed to USDA or USAID, as applicable if the freight has already been paid.

Fumigation

For any flour covered under this Booking Note, the provisions of USDA/KC CO Notice EOD-83 are to apply.
17. FREIGHT

(A) Except as stipulated in Clause 18, paragraph (v), freight is earned upon
loading of cargo and Carrier signing/releasing to shipper or shipper's agent;
the relevant Ocean bill of lading, vessel lost or not lost. The freight is payable
1has per the freight payment clause that follows, less any deductions that may
2apply under this Booking Note.

(B) If there is any failure on the part of the Ocean Carrier to perform the
4contract after the vessel tendered at the loading port, the Shippers or their
5designated agent shall be entitled to incur all expenses which, in the judgment
6of the U.S. Department of Agriculture or USAID as applicable are required to
7enable the vessel to undertake and carry out her obligations under the
8booking note, including the expenses for any liens asserted against the
9vessel. Such expenses may be deducted from the freight earned under this
10booking note notwithstanding any prior assignments of freight made by the
11owners or operators.

22.18. FREIGHT PAYMENT

(A) FOR SECTION 416(b), Food for Progress and Food for Education
4Cargoes:
5(i) For Delivery at Discharge Port: Payment will be made in accordance
6with the terms of the Booking Note upon presentation of the required
7documents stipulated in paragraph (iii) below.
8(ii) For Inland Destination Delivery or services provided after discharge:
9(a) Payment of not more than Eighty-Five Percent (85%) of freight or as
10specified in the freight tenderer will be made in accordance with the terms
11of this Booking Note upon presentation of the required documents
12stipulated in paragraph (iii) below.
13(b) Payment of the balance of freight will be payable upon presentation
14of a confirmation from Shipper that inland delivery or
15services provided after discharge has been satisfactorily provided under
16this Booking Note.
17(iii) Documents required to receive payment for ocean freight:
18(a) One (1) signed copy of completed Form CCC-512
19(b) Four (4) copies of the original clean, unclaused on-board
20bills of lading indicating the freight rate and signed by the
21originating carrier
22(c) For all non-containerized grain cargoes:
23(1) One (1) signed copy of the Federal Grain Inspection
24Service (FGIS) Official Stowage Examination Certificate
25(Vessel Hold Certificate);
26(2) One (1) signed copy of National Cargo Bureau (NCB)
27Certificate of Readiness (Vessel Hold inspection Certificate);
28and
29(3) One (1) signed copy of the National Cargo Bureau
30(NCB) Certificate of Loading
31(d) For all containerized grain and grain product cargoes:
32One (1) signed copy of the FGIS Container Condition
33Inspection Certificate
34(e) One signed copy of this liner booking note Parts I and II.
35(iv) Payment of freight is to be direct payment by USDA/CCC, all
36documents must be submitted to:
37The Director/Operation Division
38Foreign Agricultural Service
39U.S. Department of Agriculture
401400 Independence Ave., SW, Stop 1035
41Washington DC 20250-1035
42Telephone (202) 720-7736:
43Accompanied by a four copies of a request for direct payment on the
44carriers letterhead. All direct payments by USDA/CCC will be by
45electronic transfer and must include on carrier's letterhead, signed by an
46official or agent of their company:
47(a) Payee's email address to receive payment advice
48(SF1168);
49(b) Payee's bank name, address, account number, type of
50account being used andABA routing code number;
51(c) Payee's bank swift code number, as applicable;
52(d) The company's taxpayer identification number.
323. ISM and ISPS Code Compliance

4 Carrier guarantees that this vessel, if required by the ISM (Non self-propelled barges are exempt), and ISPS code issued in accordance with International Convention for the Safety of Life at Sea (1974) as amended (SOLAS) and the International Ship and Port Facilities Security (ISPS) Code and will remain so for the entirety of her employment under this booking note. Upon request, carriers to provide Shippers with a copy of the relevant document of compliance (DOC) and Safety Management Certificate (SMC) in regard to the ISM Code and the International Ship Security Certificate (ISSC) in regard to the ISPS Code. Carriers are to remain fully responsible for any and all consequences from matters arising as a result of the Carrier or the vessel being out of compliance with the ISM and ISPS code.

1624. COMPLIANCE WITH SECTION 408 OF THE U.S. COAST GUARD AUTHORIZATION ACT OF 1998

17 Except where USDA/CCC has retained the right to file or pursue claims, any terms or provisions inserted in or deleted from this contract by the Carrier shall be void.

3026. USDA / USAID NOTICES

3 The following USDA and USAID “Notice to the Trade” are hereby incorporated into this booking note. The complete text of these Notices can be obtained from the USDA or USAID web site. In addition to the specific notices referenced below, any cargo booked under this booking note is subject to all relevant notices to the trade that have been issued by USDA and/or USAID prior to the date of this booking note as specified in PART I.

37(A) The USDA Kansas City Commodity Office’s “Container, Barge, and Vessel Hold Inspection Requirements Title II, PL 490 and Section 416 Export Donations” is fully incorporated in this contract.

40(B) USDA Kansas City Commodity Office Notice to the trade EOD-110 dated May 10, 2002 “Recoopering Packaged Commodities for Food Aid Programs” is incorporated herein. A copy of the notice can be obtained from the following FTP site: www.fsa.usda.gov/daco/eod_notices/eod110.pdf.

44(C) USDA Kansas City Commodity Office Notice to the trade EOD-68 dated May 5, 2000 “Change in VLO Requirements and Procedures” is incorporated herein. A copy of the notice can be obtained from the following FTP site: http://fda.usda.gov/public/export/eod68.txt. A copy of the VLO Certificate must be submitted as part of the freight payment package.

49(D) USDA Kansas City Commodity Office notice to the trade and USAID modifications to booking guidelines dated July 5, 1996, regarding changes in vessel loading observations procedure and clarification of FAS delivery are hereby incorporated into this booking note.

532. DISPUTE RESOLUTION

54 Except where USDA/CCC has retained the right to file or pursue claims, including but not limited to marine cargo loss and damage and General Average, Shippers to have the option of selecting one of the following dispute resolution procedures which is to be specified in PART I of this Booking Note.

58 In the event that the Shipper does not select one of the following procedures, any dispute arising out of this Booking Note can be adjudicated by the United States or the relevant jurisdiction located in the United States.

62(A) Arbitration: All disputes arising out of this contract shall be arbitrated at New York in the following manner, and be subject to U.S. Law: The Arbitrator is to be appointed by each of the parties hereto and a third by the two so chosen. Their decision or that of any of two of them shall be final and for the purpose of enforcing any award, this agreement may be made a rule of the Court. The Arbitrators shall be commercial men, conversant with shipping matters. Such Arbitration is to be conducted in accordance with the rules of the Society of Maritime Arbitrators Inc. (All World Food Program bookings will be subject to this arbitration clause).