

**GAL GROUP, INC.**  
**STANDARD TRADING CONDITIONS**  
Effective August 30<sup>th</sup>, 2013

1. In these conditions, the following words have the following meanings:

“Company” means GAL Group, Inc.

“Conditions” means all the conditions stated in this Standard Trading Conditions.

“Customer” means any person and/or party at whose request or on whose behalf the Company provides Services.

“Goods” includes goods, wares, merchandise and articles of every kind whatever; and any container, trailer, tank or pallet (including similar articles of transport used to store or consolidate goods) not supplied by or on behalf of the Company.

“Dangerous Goods” includes goods that are of a dangerous, explosive, inflammable, radioactive, or have a damaging nature.

“Hague Rules” means the International Convention for the Unification of certain Rules relating to Bills of lading signed at Brussels on 25 August 1924 as amended by the Brussels Protocol 1968.

“Owner” means the owner of Goods.

“Services” means the services provided by the Company either as principal or as agent, including undertaking or arranging carriage of Goods by air, sea, rail and/or road.

- 2.1 All business undertaken by the Company is transacted subject to these Conditions, which Conditions shall be deemed to be incorporated into any agreement between the Company and the Customer.
- 2.2 If at any time one or more of such Conditions is declared invalid or illegal by a court of competent jurisdiction, the validity or legality of the remaining provisions of these Conditions shall not in any way be affected.
- 2.3 The Company may issue its own waybill, bill of lading or other documents of carriage naming itself as the carrier. When such a document is issued, its terms and conditions shall prevail to the extent they are inconsistent with the within Conditions.
- 2.4 When the Company is held to be a carrier, the Company shall be entitled to all the rights, immunities, exceptions and limitations conferred on a carrier by the Hague Rules, any

applicable law or legislation of the country or countries at the point of initial and final destination of the Goods.

- 2.5 When the Company has not issued its own bill of lading and is held to be a carrier as far as carriage of Goods by sea or by inland waterway is concerned, the Company's liability shall be determined by Article III and Article IV of the Hague Rules. The aforesaid Articles shall prevail to the extent they are not inconsistent with these Conditions. Notwithstanding anything stated to the contrary in the within provision 2.5, the first sentence of Article III(8) shall not apply to these Conditions and the limitation amount in Article IV(5) of the Hague Rules is deemed to be the nominal value of 100 pounds sterling per package of Goods lost or damaged.
3. Customers entering into any business transaction with the Company warrant to the Company that the Customer is either the Owner or the authorized agent of the Owner and that the Customer is authorized to accept these Conditions for itself and also for and on behalf of the Owner.
4. The Customer further warrants that:
  - a. all of the Goods involved have been properly and sufficiently packed and the Company shall be free of any liability for any loss of, damage to same or for any and all other claims relating to Goods which are improperly or insufficiently packed; and
  - b. the Goods are fit and suitable for the carriage, storage and any handling in accordance with the Customer's instructions as well as in accordance with general conditions for carriage of Goods by air, sea, rail and/or road; and
  - c. the Goods fully comply with applicable laws and regulations of ports, airports, Customs and/or other governing authorities
- 5.1 The Customer and the Owner shall jointly and severally indemnify and hold the Company harmless from all claims, liability, losses, damages, costs and expenses arising out of the Company's acting in accordance with the Customer's instructions, and/or arising from a breach of warranty or obligation on the part of the Customer and/or the Owner, and/or arising from inaccurate information or insufficient instructions provided by the Customer or the Owner, and/or resulting from negligence of the Customer and/or the Owner.
- 5.2 The Customer agrees that no claim shall be made against any servant, agent or any representative or sub-contractor of the Company if such claim imposes upon them or any of them any liability in connection with any Services provided by the Company. If any such claim should nevertheless be made, the Customer shall indemnify and hold harmless the Company against all consequences. Every such servant, agent, representative and sub-contractor of the Company shall have the benefit of all provisions herein, and/or in any other agreement(s) entered into between the Customer and the Company, benefitting the Company as if such

provisions were expressly provided for his, her and or their benefit. For these purposes, the Company shall be deemed to have contracted for itself and also as agent and trustee for each such servant, agent, representative and/or sub-contractor.

- 5.3 The Customer shall defend, indemnify and hold harmless the Company from and against all claims, costs and demands whatsoever by and by whomsoever made or preferred in excess of the liability of the Company under these Conditions, and such indemnity shall include all claims, costs and demands arising from the negligence of the Company, its servants, agents, representatives and/or sub-contractors.
- 5.4 The Customer shall defend, indemnify and hold harmless the Company in respect to any general average claim that may be made against the Company and the Customer shall provide such security as may be required by the Company.
6. Except under the special arrangements previously made in writing, the Customer warrants that the Goods are neither Dangerous, nor hazardous, nor otherwise likely to cause damage. Should the Customer nevertheless deliver any such Goods to the Company or cause the Company to handle any such Goods otherwise than under special arrangements previously made in writing, then whether or not the Company is aware of the nature of such Goods, the Customer shall be liable for all expenses, losses or damage whatsoever caused by, or to, or in connection with such Goods and howsoever arising, and shall indemnify and hold harmless the Company against all penalties, claims, damages, costs, expenses and any other liability which may arise in connection with such Goods, and such Goods may be destroyed or otherwise dealt with at the risk and expenses of the Customer or the Owner in the sole discretion of, and without any liability to the Company. If such Goods are handled by the Company under arrangements previously made in writing, they may nevertheless be destroyed at the risk and expense of the Customer or the Owner, in the sole discretion of the Company, and without any liability to the Company on account of risk to other Goods, property or the life or health of any person or persons. The Goods that are likely to cause damage include, but are not limited to those containing vermin or other pests,
7. Except under special arrangements previously made in writing, the Company will not deal with bullion, bank notes, coins, checks, bonds, negotiable documents and securities, precious stones, precious metal objects, jewelry, valuables, antiques, valuable works of art, livestock and plants. Should the Customer nevertheless deliver any such Goods to the Company or cause the Company to handle any such Goods otherwise than under special arrangements previously made in writing, the Company shall have no liability whatsoever in connection with such Goods (including any loss, damage, misdelivery, misdirection or delay howsoever caused) and notwithstanding that the value of any such Goods may be shown, declared or indicated in any documents accompanying such Goods.
- 8.1 If delivery of the Goods is not taken or accepted by the Customer and/or the Owner at the time and place when and where delivery should be taken, the Company shall be entitled (but is not obligated) to store the Goods at the sole risk and expense of the Customer and the Owner,

whereupon any liability which the Company may have in respect of the said Goods shall wholly terminate and the cost of such storage shall be paid by the Customer to the Company.

- 8.2 The Company is entitled (but not obliged) to sell or dispose of all Goods which in the sole opinion of the company cannot be delivered either because they have been insufficiently or incorrectly addressed or because they have not been collected or accepted by the Customer or the owner within fourteen (14) days after written notice has been given to the Customer. The Customer shall pay all charges and expenses in connection with the storage, sale, and/or disposal of the Goods.
- 8.3 All Goods shall be subject to a particular and general lien for monies due either in respect to such Goods, or for any particular or general balance or other monies due from the Customer and/or the owner to the Company. If any such sums due to the Company are not paid within fourteen (14) days after written notice has been given to the Customer, the Goods may be sold at auction or otherwise, at the sole discretion of the Company, at the expense of the Customer, and the proceeds (net of the expenses in connection with such sale) shall be applied to satisfaction of such debts, and the Company shall not be liable for any reduction in value received from the sale of the Goods, nor shall the Customer be relieved from the obligation of satisfying the balance due of any such outstanding indebtedness merely because the Goods have been sold.
9. The Customer shall pay to the Company all sums immediately when due without deduction on account of any claim, counterclaim, or set-off. Payment to the Company is due as soon as an invoice is rendered to the Customer. For any amount unpaid within thirty (30) days from the date of the invoice, the Company shall be entitled to interest from the date of the invoice until payment at the rate of two percent (2%) of all outstanding sums due.
- 10.1 The Company shall be entitled to sub-contract on any terms the whole or any part of the Services whatsoever undertaken by the Company.
- 10.2 The Company reserves to itself discretion as to the means, routes, and procedures to be followed in the carriage, storage and other handling of Goods. The Company has the liberty, in its sole discretion, to select any transportation means, routes or procedures.
- 11.1 The Company shall not be liable for any damage to, loss, delay, misdirection or misdelivery of Goods or any other claim, unless it is proved that such damage, loss, delay, misdirection or misdelivery of Goods or for any other claim, unless it proved that such damage, loss, delay, misdirection, misdelivery or any other claims are caused by the negligence of the Company, its servants, agents or sub-contractors. In any event, the liability of the Company shall not exceed those limits as set out in Clause 11.3.
- 11.2 Notwithstanding any other provisions in these Conditions to the contrary but subject to Clauses 2.3 and 2.5, the Company shall not in any event be liable whatsoever for:

- a. any indirect, consequential or economic loss (including loss of market, profit, revenue, business or goodwill) and/or punitive damages; and
  - b. any loss, damage, expense or claim arising from fire, flood, storm, typhoon, explosion or strike howsoever caused and whether or not resulting from any act or omission or default or neglect on the part of the Company, its servants, agents or sub-contractors.
- 11.3 For any liability which cannot be limited, exempted or excluded by any provisions of these within Conditions, the liability of the company howsoever arising shall in no event exceed a sum of whichever is the lower of:
- a. \$500US per package or unit of; or
  - b. \$2US per kilogram of the gross weight of the Goods or other properties lost, damaged, misdirected, misdelivered, or in respect of which a claim is made provided that the Company's liability whatsoever shall in no circumstance exceed a total sum of \$250,000US per event or events arising from a common cause; and
  - c. without prejudice to the other provisions of these Conditions, if the Company is held liable for delay, liability shall be limited to an amount equivalent to the Services charges applicable to the Goods delayed.
- 11.4 By special arrangement agreed to in writing, the Company may accept liability in excess of the limits set out in Clause 11.3 provided that the Customer shall pay to the Company additional charges as decided in advance by the Company from time to time. Details of the additional charges will be provided upon written request of the Customer.
- 11.5 Any and all Services provided by the Company gratuitously are provided on the condition that the Company will not accept any liability whatsoever and that the Customer and the Owner agree to forever waive and release the Company from any liability which may arise from such Services.
- 11.6 It is agreed that superficial rust, oxidation, discoloration, or any like condition due to moisture, is not a condition of damage but is inherent to the nature of the Goods and acknowledgment of receipt of the Goods in apparent good order and condition is not a representation that such conditions of rust, oxidation, discoloration or the like did not exist on receipt.
12. Any claim against the Company must be in writing and delivered to the Company within fourteen (14) days from the date of delivery of the Goods or the date the Goods should have been delivered or the date of the event giving rise to the claim, whichever is the earliest. In the case of loss or damage, the Company shall be given the full opportunity to conduct a survey of or to inspect any such claimed loss or damage.
13. The Company shall be discharged of all liability whatsoever in respect of any claim unless suit is brought against the Company either in the United States District Court for the District of Illinois,

or the state court situated in Cook County, Illinois within nine (9) months from the date of delivery of the Goods, or the date the Goods should have been delivered, or the date of the event giving rise to the claim, whichever event is the earliest.

14. The defenses, exemptions and limitations of liability set forth in these standard trading conditions shall govern in any action against the Company whether such action is founded in contract, tort, or both.
15. These Conditions and any contract with the Company shall be governed by the laws of the State of Illinois. Any proceedings against the Company must be brought only in the court of the United States District Court for the District of Illinois, or the state court situated in Cook Country, Illinois and no other courts.
16. For purposes of these Conditions, the word “costs” and/or “expenses” shall also include attorney’s fees, inspection/investigative costs and such other costs and expenses incurred by the Company, its servants, agents and/or sub-contractors.