



# **STANDARD TRADING TERMS AND CONDITIONS**

All shipments to or from the Customer, which term shall mean the person for whom GCS (herein called the Company) is rendering service, as well as its agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, senders, receivers, owners, consignors, consignees, transferors, transferees, shipper's agents, insurers and underwriters, break-bulk agents, consignees, etc, will be handled on the following terms and conditions:

## **1. Company as agent**

The Company acts as the "agent" of the Customer for the purpose of performing duties in connection with the entry and release of goods, post entry services, the securing of export licenses, the filing of export and security documentation on behalf of the Customer and other dealings with government agencies; as to all services, the Company acts as an independent contractor. In handling the shipment, if loss, damage, expense or delay occurs during such activity, the Company assumes no liability as a carrier and is not to be held responsible for any loss, damage, expense or delay to the goods to be imported except as provided in Paragraph 8 and subject to the limitations of Paragraph 8 below, but undertakes only to use reasonable care in the selection of carriers, truckmen, lightermen, forwarders, customs brokers, agents, warehousemen and others to whom it may entrust the goods for transportation, cartage, handling and/or delivery and/or storage or otherwise. When the Company carriers, stores or otherwise physically handles the shipment, it does so subject to the limitation of liability set forth in Paragraph 8 below unless a separate bill of lading, air waybill or other contract of carriage is issued by the Company, in which event the terms thereof shall govern.

## **2. Liability of Third Parties**

The Company is authorized to select and engage carriers, truckmen, lightermen, forwarders, customs brokers, agents, warehousemen and other third parties, as required, to handle, transport, procure clearance, store, deal with and deliver the goods, all of whom shall be



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unless the Company in writing specifically undertakes the handling or transportation of the shipment at a specific rate.

## **5. Duty to Furnish Information**

**(a)** On an import at a reasonable time prior to entering of the goods for U.S. Customs & Border Protection, the Customer shall furnish to the Company invoices in proper form and other documents necessary or useful in the preparation of the U.S. Customs & Border Protection entry and, also, such further information as may be sufficient to establish, inter alia, the dutiable value, the classification, the country of origin, the genuineness of the merchandise and any mark or symbol associated with it, the Customer's right to import and/or distribute the merchandise, and the merchandise's admissibility, pursuant to U.S. law or regulation. If the customer fails in a timely manner to furnish such information or documents, in whole or in part, as may be required to complete U.S. Customs & Border Protection entry or comply with U.S. laws or regulations, or if the information or documents furnished are inaccurate or incomplete, the Company shall be obligated only to use its commercially reasonable judgment in connection with the shipment and in no instance shall be charged with actual or constructive knowledge by the Customer of the true circumstances to which such inaccurate, incomplete, or omitted information or document pertains. Where a bond is required by U.S. Customs & Border Protection to be given for the production of any document or the performance of any act, the Customer shall be deemed bound by the terms of the bond notwithstanding the fact that the bond has been executed by the Company as principal, it being understood that the Company entered into such undertaking at the instance and on behalf of the Customer, and the Customer shall indemnify and hold the Company harmless for the consequences of any breach of the terms of the bond.

**(b)** On an export at a reasonable time prior to the exportation of the shipment the Customer shall furnish to the Company the commercial invoice in proper form and number, a proper consular declaration, weights, measures, values and other information in the language of and as

may be required by the laws and regulations of the U.S. and the country of destination of the goods. (c) On an export or import the Company shall not in any way be responsible or liable for increased duty, penalty, fine or expense unless caused by the negligence or other fault of the Company, in which event its liability to the Customer shall be governed by the provisions of Paragraphs 8-9 below. The Customer shall be bound by and warrant the accuracy of all invoices, documents and information furnished to the Company by the Customer or its agent for export, entry or other purposes and the Customer agrees to indemnify and hold harmless the Company against any increased duty, penalty, fine or expense including attorneys' fees, resulting from any inaccuracy, incomplete statement, omission or any failure to make timely presentation, even if not due to any negligence of the Customer. Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with U.S. Customs & Border Protection, other government agencies and/or third parties, and will immediately advise the Company of any errors, discrepancies, incorrect statements, or omissions on any declaration or other submission filed on Customer's behalf. In preparing and submitting customs entries, export declarations, applications, security filings, documentation and/or other required data, the Company relies on the correctness of all documentation, whether in written or electronic format, and all information furnished by Customer; Customer shall use reasonable care to ensure the correctness of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer's failure to disclose information or any incorrect, incomplete or false statement by the Customer or its agent, representative or contractor upon which the Company reasonable relied. The Customer agrees that the Customer has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods.

## **6. Declaring Higher Valuation**

Inasmuch as truckers, carriers, warehousemen and others to whom the goods are entrusted usually limit their liability for loss or damage unless a higher value is declared and a charge based on such higher value is agreed to by said truckers, etc., the Company must receive specific written instructions from the Customer to pay such higher charge based on valuation and the

trucker, etc. must accept such higher declared value; otherwise the valuation placed by the Customer on the goods shall be considered solely for export or customs purposes and the goods will be delivered to the truckers, etc. subject to the limitation of liability set forth herein in Paragraphs 8-9 below with respect to any claim against the Company and subject to the provisions of Paragraph 2 above.

## **7. Insurance**

Unless requested to do so in writing and confirmed to the Customer in writing, the Company is under no obligation to procure insurance on the Customer's behalf; in all cases, the Customer shall pay all premiums and costs in connection with procuring requested insurance. Should an insurer dispute its liability for any reason, the insured shall have recourse against the insurer only and the Company shall not be under any responsibility or liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rates as that charged or paid to the Company by the Customer, or that the shipment was insured under a policy in the name of the Company. Insurance premiums and the charge of the Company for arranging the same shall be at the Customer's expense. If for any reason the goods are held in warehouse, or elsewhere, the same will not be covered by any insurance, unless the Company receives written instructions from the Customer. Unless specifically agreed in writing, the Company assumes no responsibility to effect insurance on any export or import shipment which it does not handle. 8. Limitation of Liability for Loss, etc. (a) The Customer agrees that the Company shall only be liable for any loss, damage, expense or delay to the goods resulting from the negligence or other fault of the Company; such liability shall be limited to an amount equal to

the lesser of fifty dollars (\$50.00) per entry or shipment or the fee(s) charged for services, provided that, in the case of partial loss, such amount will be adjusted, pro rata; (b) Where the Company issues its own bill of lading and receives freight charges as its compensation, Customer has the option of paying a special compensation and increasing the limit of Company's liability up to the shipment's actual value; however, such option must be exercised by written agreement, entered into prior to any covered transaction(s), setting forth the limit of the Company's liability and the compensation received; (c) In instances other than in (b) above, unless the Customer makes specific written arrangements with the Company to pay special compensation and declare a higher value and Company agrees in writing, liability is limited to the amount set forth in (a) above; (d) notwithstanding anything to the contrary set forth in these terms and conditions, Customer agrees that the Company shall, in no event, be liable for indirect, consequential, punitive, statutory or special damages in excess of the monetary limit provided for above, whether arising in an action in contract, tort or otherwise, even if the Company has had notice of the possibility of such damages.

## **8. Presenting Claims**

Company shall not be liable under Paragraph 8 for any claims not presented to it in writing within 90 days of either the date of loss or incident giving rise to the claim; no suit to recover for any claim or demand hereunder shall be maintained against the Company unless instituted within six (6) months after the presentation of the said claim or such longer period provided for under statute(s) of the State having jurisdiction of the matter.

## **9. Advancing Money**

The Company shall not be obliged to incur any expense, guarantee payment or advance any money in connection with the importing, forwarding, transporting, insuring, storing or cooperating of the goods, unless the same is previously provided to the Company by the Customer on demand. The Company shall be under no obligation to advance freight charges, customs duties

or taxes on any shipment, nor shall any advance by the Company be construed as a waiver of the provisions hereof.

## **10. Indemnification for Freight, Duties**

In the event that a carrier, other person or any governmental agency makes a claim or institutes legal action against the Company for ocean or other freight, duties, fines, penalties, liquidated damages or other money due arising from a shipment of goods of the Customer, the Customer agrees to indemnify and hold harmless the Company for any amount the Company may be required to pay such carrier, other person or governmental agency together with reasonable expenses, including attorneys' fees, incurred by the Company in connection with defending such claim or legal action and obtaining reimbursement from the Customer. The confiscation or detention of the goods by any governmental authority shall not affect or diminish the liability of the Customer to the Company to pay all charges or other money due promptly on demand.

## **11. C.O.D. Shipments**

Goods received with Customer's or other person's instruction to "Collect on Delivery" (C.O.D.) by drafts or otherwise, or to collect on any specified terms by time drafts or otherwise are accepted by the Company only upon the express understanding that it will exercise reasonable care in the selection of a bank, correspondent, carrier or agent to whom it will send such item for collection, and the Company will not be responsible for any act, omission, default, suspension, insolvency or want of care, negligence, or fault of such bank, correspondent, carrier or agent, nor for any delay in remittance lost in exchange, or during transmission, or while in the course of collection.



## **12. General Lien of Any Property**

The Company shall have a general lien (separate from its statutory lien pursuant to Section 141.112 of the Customs Rules and Regulations which is hereby incorporated by reference) on any and all property (and documents relating thereto) of the Customer, in its possession, custody or control or en route, for all claims for charges, expenses or advances incurred by the Company in connection with any shipments of the Customer and if such claim remains unsatisfied for thirty (30) days after demand for its payment is made, the Company may sell at public auction or private sale, upon ten (10) days written notice, registered mail (R.R.R.) to the Customer, the goods, wares, and/or merchandise, or so much thereof as may be necessary to satisfy such lien, and apply the net proceeds of such sales to the payment of the amount due to the Company. Any surplus from such sale shall be transmitted to the Customer and the Customer shall be liable for any deficiency in the sale.

## **13. Compensation of Company**

The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by the Company to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends or other revenue received by the Company from carriers, insurers and others in connection with the shipment. On ocean exports, upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for monies due the Company, upon recovery of the company, the Customer shall pay the expenses of collection and/or litigation, including a reasonable attorney fee.

## **14. No Responsibility for Governmental Requirements**

It is the responsibility of the Customer to know and comply with the marking requirements of the U.S. Customs & Border Protection, the regulations of the U.S. Food and Drug Administration, and all other requirements, including regulations of Federal, state and/or local agencies pertaining to the merchandise. The Company shall not be responsible for action taken or fines or penalties assessed by any governmental agency against the shipment because of the failure of the Customer to comply with the law or the requirements or regulations of any governmental agency or with a notification issued to the Customer by any such agency.

## **15. Indemnification/Hold Harmless**

The Customer agrees to indemnify, defend and hold the Company harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of customers merchandise and/or any conduct of the Customer, including but not limited to the inaccuracy of entry, export or security data supplied by Customer or its agent or representative, which violates any Federal, State and/or other laws, and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims, penalties, fines and/or expenses, including but not limited to reasonable attorneys' fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at its address on file with the Company.

## **16. Loss, Damage or Expense Due to Delay**

Unless the services to be performed by the Company on behalf of the Customer are delayed by reason of the negligence or other fault of the Company, the Company shall not be responsible for any loss, damage or expense incurred by the Customer because of such delay. In the event the Company is at fault, as aforesaid, its liability is limited in accordance with the provisions of Paragraphs 8-9 above.

## **17. Severability**

In the event any paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in full force and effect. Company's decision to waive any provision herein, either by conduct or otherwise, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.

## **18. Construction of Terms and Venue**

The foregoing terms and conditions shall be construed according to the laws of the State of New York, without giving consideration to principles of conflict of laws. Customer and Company consent to the jurisdiction of the United State District Court and the State court of New York and agree to any action relation to the services performed by Company, shall be brought in said courts. Furthermore, Customer and Company consent to the exercise of in persona jurisdiction by said courts over it and agree that any action to enforce a judgment may be instituted in any jurisdiction.

## **19. Costs of Collection**

In any dispute involving monies owed to the Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 10% per annum or the highest rate allowed by law, whichever is less unless a lower amount is agreed to by the Company.

## **20. No Duty to Maintain Records for Customer**

Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act, as amended (19 USC Sec. 1508 and 1509) it has the duty and is solely liable for maintaining all records required under the Customs and/or other laws and regulations of the United States; unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by statute and/or regulation but not as a "recordkeeper" or "recordkeeping agent" for Customer.

## **21. Obtaining Binding Rulings, Filing Protests, etc.**

Unless requested by Customer in writing agreed by the Company in writing, the Company shall be under no obligation to undertake any pre- or post-Customs release action including, but not limited to, obtaining binding rulings, advising of liquidations, filing of petitions and/or protests, etc.

## **22. Preparation and Issuance of Bills of Lading**

Where the Company prepares and/or issues a bill of lading, the Company shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc., unless specifically requested to do so in writing by Customer or its agent and Customer agrees to pay for same. The Company shall rely upon and use the cargo weight supplied by Customer.

### **23. No Modification or Amendment Unless Written**

These terms and conditions of service may only be modified, altered or amended in writing signed by both Customer and the Company; any attempt to unilaterally modify, alter or amend same shall be null and void.

Approved by the National Customs Brokers & Forwarders Association of America, Inc. (Revised 7/09)

GCS has policies against payment, solicitation, or receipt of any rebate, directly or indirectly, which would be unlawful under the United States Shipping Act, 1969, as amended.

If you are the importer of record, payment to the broker will not relieve you of liability from Customs charges (duties, taxes, or other debts owed Customs) in the event the charges are not paid by the broker. Therefore, if you pay by check, Customs charges may be paid with a separate check payable to "U.S. Customs and Border Protection" which shall be delivered to Customs by the broker.

### **24. GCS is not responsible for the goods inside the containers and if there are illegal items in the container then all costs related to this will be transferred to the customer.**

**25. GCS are not responsible for any drugs or controlled substance that is found in the containers and any costs related to that will be passed on.**