

Dear Valued Customers,

NOTICE IN RESPECT TO MISDECLARATION OF DANGEROUS GOODS AND HIGH-RISK CARGO INCLUDING GENERAL CARGO AND REGULATIONS ON CARGO / CONTAINER(S) AND FLEXIBAG

With Immediate Effect on and from [16Jan2026]

(hereinafter the ‘Notice’)

(A) Accurate Declaration of Dangerous Goods (DG) and High-Risk Cargo for shipment:

Regardless of intention and/or recklessness and/or misconduct, whether by act and/or omission, any non-declaration, misdeclaration or inaccurate declaration of General Cargo, Dangerous Goods (DG) or High-Risk Cargo, can lead to severe consequences and potential risk, causing significant harm to lives, property, vessels, containers, crew, operations, the environment, and may also result in regulatory action and/or legal liabilities with the relevant authorities.

For the avoidance of doubt, “High-Risk Cargo” under this Notice shall include any general cargo not classified under the IMDG Code but which may, whether inherently or by virtue of its condition, packaging or handling requirements, pose potential risks to vessels, equipment, infrastructure, containers, crew, shore personnel or third parties, or give rise to operational disruption, delay, emergency response measures, environmental harm or contamination, or any loss, damage or safety hazard during the course of transportation, handling or storage.

It is a legal requirement and absolute duty of the Merchant to provide a full, detailed, accurate and complete declaration of all General Cargo, any DG and any High-Risk Cargo shipped with the Carrier.

(B) Mandatory Compliance:

It is mandatory that the Merchant shall strictly comply with all applicable laws, relevant regulations, guidelines and Carrier requirements regarding the declaration, packaging, labelling, transportation and disposal of DG, High-Risk Cargo and any cargo requiring special handling. Before delivering any goods to the Carrier’s designated locations, please contact the Carrier or other relevant authorized personnel to ensure your compliance with the Carrier’s transportation conditions, requirements and procedures.

(C) Penalties and Deposits for Misdeclaration:

[1] Non-Declaration and/or Inaccurate / Misdeclaration

Without prejudice to any other rights, remedies or indemnities available to the Carrier, and irrespective of intention and/or recklessness and/or misconduct, whether by act and/or omission, the Merchant shall be liable for the following mandatory Penalty and Deposit for each and every confirmed case of non-declaration, misdeclaration or inaccurate declaration of any cargo whatsoever, including but not limited to General Cargo, Dangerous Goods (DG), High-Risk Cargo, cargo with hazardous propensities, or cargo requiring special handling:

- (i) A mandatory penalty of United States Dollars Thirty Thousand (USD 30,000.00) per container (the “Penalty”); AND
- (ii) A mandatory deposit of United States Dollars One Hundred Thousand (USD 100,000.00) per container (the “Deposit”).

For the avoidance of doubt, this Clause [1] applies to all cargo types unless expressly superseded by the supplemental regimes under Clauses [2] and [3].

The Penalty and Deposit shall become immediately due and payable upon written demand and shall apply irrespective of whether any fire, leakage, explosion, emergency, contamination, operational delay, environmental harm, or other hazardous incident has occurred, and shall remain payable regardless of whether the cargo has been loaded, and whether the misdeclaration is discovered before, during, or after carriage, and irrespective of whether the misdeclared cargo causes any incident.

The Deposit constitutes mandatory and provisional security for anticipated liquidated damages arising from such misdeclaration and shall be applied, at the Carrier's sole discretion and without requirement to consult the Merchant, toward all losses, damages, fines, penalties, liabilities, and expenses whatsoever incurred, including but not limited to: container repair or total loss, cleaning and fumigation, restow and handling, terminal costs, emergency or firefighting response, authority-imposed fines, storage and disposal fees, vessel delay, deviation or off-hire costs, loss of schedule integrity, claims from third parties, and all legal, administrative, and operational expenses associated in any way with the misdeclared cargo.

The Deposit is without prejudice to the Carrier's unrestricted right to recover, in full and without limitation, all additional losses, damages, costs, and liabilities that exceed the Deposit, together with interest, enforcement costs, and legal fees on a full indemnity basis.

[2] High Risk Cargo Misdeclaration

In the event that any non-declaration, misdeclaration or inaccurate declaration relates to High-Risk Cargo, this Clause [2] shall apply exclusively and in substitution for Clause [1], and Clause [1] shall not apply to such High-Risk Cargo.

For the purposes of this Clause, "High-Risk Cargo" includes, without limitation, IMO Class 1 (Explosives), Class 2.1 (Flammable Gases), Class 4.3 (Dangerous When Wet), Class 5.1 / 5.2 (Oxidizing Substances and Organic Peroxides), Class 7 (Radioactive Materials), Class 9 (including but not limited to large-scale lithium batteries), and any other cargo which the Carrier reasonably determines to present comparable high-risk or hazardous characteristics. For the avoidance of doubt, Flexibag cargo shall be governed exclusively by Clause [3] and shall not be treated as High-Risk Cargo under this Clause [2].

In each and every confirmed case of High-Risk Cargo misdeclaration, irrespective of intention, recklessness or misconduct, and irrespective of whether any incident, fire, leakage, explosion, contamination, emergency, operational delay or other hazardous event has occurred, the Merchant shall be liable for the following mandatory amounts per affected container:

- (i) A penalty of United States Dollars One Hundred Thousand (USD 100,000.00) per container (the "High-Risk Penalty"); and
- (ii) A deposit of United States Dollars Two Hundred Fifty Thousand (USD 250,000.00) per container (the "High-Risk Deposit").

The High-Risk Penalty and High-Risk Deposit shall become immediately due and payable upon written demand and shall apply regardless of whether the misdeclaration is discovered prior to loading, after loading, during carriage, or after discharge.

The High-Risk Deposit constitutes mandatory and provisional security for anticipated losses, damages, fines, penalties, liabilities and expenses arising from or in connection with the misdeclaration of High-Risk Cargo and may be applied, at the Carrier's sole discretion and without notice to the Merchant, toward all such losses, costs and liabilities, including but not limited to emergency response, firefighting, contamination, container damage or loss, vessel delay, deviation, regulatory fines, third-party claims, and all legal and enforcement costs whatsoever.

The High-Risk Deposit is without prejudice to the Carrier's right to recover, in full and without limitation, any losses, damages, costs or liabilities exceeding the High-Risk Deposit, together with interest and legal fees on a full indemnity basis.

The Carrier further reserves the right, at its sole discretion, to blacklist the Merchant and/or terminate contractual relations forthwith in the event of a breach under this Clause, irrespective of whether the cargo has been accepted for carriage.

[3] Flexibag Misdeclaration / Inaccurate Declaration

This Clause [3] constitutes an independent regulatory and operational regime specific to Flexibag cargo, separate and in addition to the general misdeclaration provisions under Clauses [1] and [2].

The Merchant shall seek special approval from the Carrier and provide a Letter of Indemnity (LOI) prior to loading. Failure to comply with such approval and LOI requirements shall constitute a material breach of this Notice.

Without prejudice to Clause [1], any non-declaration, misdeclaration or inaccurate declaration of flexibag cargo, including but not limited to concealed flexibags, undeclared flexibags, improper flexibag installation, non-compliant flexibag specifications, or exceeding allowable filling limits, shall subject the Merchant to:

- (i) A mandatory penalty of United States Dollars Thirty Thousand (USD 30,000.00) per container (the "Flexibag Penalty"), in addition to any applicable flexibag surcharge; AND
- (ii) A mandatory deposit of United States Dollars One Hundred Thousand (USD 100,000.00) per container (the "Flexibag Deposit") as initial and provisional security for anticipated losses, liquidated damages and all associated costs.

For the avoidance of doubt, the foregoing Flexibag Penalty and Deposit shall be imposed and immediately payable upon written demand regardless of whether any leakage, spillage, contamination, structural failure, operational disruption, vessel delay or other incident occurs, and irrespective of whether the flexibag cargo has been loaded, discharged, or remains in the custody of the Carrier.

The Flexibag Deposit may be applied, at the Carrier's sole discretion and without obligation to consult the Merchant, toward all losses, damages, liabilities, fines, penalties and expenses whatsoever arising from or connected with the misdeclared flexibag cargo, including but not limited to: container total loss or damage; liquid leakage cleanup; restow, handling and terminal operations; firefighting or emergency response; contamination of other cargo; vessel delay, deviation or schedule recovery costs; third-party claims; authority-imposed fines; and all administrative, survey, legal and operational costs.

The Flexibag Deposit is without prejudice to the Carrier's unconditional right to recover all additional losses, damages, costs and liabilities in excess of the Deposit, together with interest, legal fees on a full indemnity basis, and all enforcement costs.

The Carrier further reserves the right to immediately blacklist the Merchant, suspend future bookings, and terminate any existing contractual arrangement arising from any breach of this clause.

[4] Alteration or Modification to Container's Structures

Any alteration or modification to the container(s)' structures and fittings without the written consent of the Carrier or container operator shall be subjected to a penalty of United States Dollars Two Thousand (USD2,000.00) per container, any container(s)' damages and/or repair costs incurred shall be charged separately by the Carrier.

[6] In addition, the Carrier shall at any time be at liberty and at its sole discretion reserve its rights to unilaterally cease or terminate the shipment of goods recorded in the Bill of Lading wherein the Merchant shall be subjected to payment of the applicable Deposit under Section (C)[1]ii, (C)[2]iii and (C)[3]ii hereinabove specified.

[7] Voluntary Amendment or Disclosure

Where the Merchant voluntarily rectifies, supplements, amends, or discloses accurate particulars of the cargo prior to any detection, verification, investigation or discrepancy check initiated by the Carrier, the Carrier reserves the right, but shall be under no obligation, to consider applying a mitigated penalty, taking into account the circumstances of each case.

For the avoidance of doubt, any mitigation applied under this sub-section shall be entirely at the Carrier's sole discretion and shall not be construed as a waiver of any rights, remedies, penalties, deposits or indemnities otherwise applicable under this Notice or under the Carrier's Bill of Lading Terms and Conditions.

- (D) No goods which are or may become dangerous, inflammable or damaging (including radio-active materials), or which results in loss and/or damage to any property, shall be tendered to the Carrier for carriage without express written consent.
- (E) The Merchant is deemed to have knowledge of the nature of the cargo shipped and its propensities. Irrespective of the Carrier's acceptance of carriage of such cargo, the Merchant remain fully liable and shall indemnify the Carrier against ALL claims, losses, damages and/or expenses whatsoever arising in consequence of the carriage of such cargo.
- (F) The term "Merchant" has the same definition as that used in the Carrier's Bill of Lading and this said Notice shall be read together with the Carrier's Bill of Lading Terms and Conditions which remains unchanged.