

■ Customer Advisory – Charge of Cargo Misdeclaration Fee

14 November, 2019

Dear Valued Customers:

In order to ensure the safety of transportation on shore and at sea is met, we (the Carriers) will strengthen our container inspection policy by imposing additional verification before loading through selective or random inspection on cargo. The charge of “Cargo Misdeclaration Fee” will be effected from 15 December, 2019.

Any concealing, omitting, or mis-declaring of general cargo with special declaration requirement, waste cargo or dangerous goods can have unpredictable and serious consequences, endangering the safety of life and property, causing huge economic losses and even affecting the Carriers’ normal operation procedures. To protect the interest of majority law-abiding and stabilization of logistics of the global supply chain, we need your careful concern to provide the complete and correct cargo information.

In the event that the Carriers, at any time, identifies, discovers, finds evidence of, is notified or advised of, misdescription or misdeclaration of cargo in any situation, including but not limited to the below, whether by means of physical cargo inspection, by evidence of other supporting documents or, by a change of declaration from shipper when cargo is in the Carriers’ custody:

- For General Cargo and Waste Cargo
 - Changes of commodity description or HS code for a.) general cargo with special declaration requirement or b.) waste cargo.
- For Dangerous Goods
 - From general cargo to dangerous goods either in dry or refrigerated stowage.
 - Quality and quantity of booked and declared commodity as dangerous goods is inconsistent with commodity identified.
 - Booked and declared commodity as dangerous goods with incorrect IMO Class, UN No., HS code with or without intention or lack of declaration.
 - Changes of dangerous goods description such as, but not limited to change of IMO class; UN No.; packing group; technical name or concentration percentage.

Customers shall be liable for the difference in freight/charge and all additional costs arisen therefrom and shall further indemnify and hold the Carriers harmless from and against all loss, damage, expense, actions

and claims for injury to or death of persons and damage to property arising out of such misdescription or misdeclaration.

In addition to the aforementioned, any misdescription or misdeclaration by Customers will be charged of “Cargo Misdeclaration Fee” as below table:

| Content | Amount of Cargo Misdeclaration Fee (per container) | | |
|---|--|---------------------------|-----------------|
| | General Cargo with Special Declaration Requirement | Waste Cargo (*Remarks #1) | Dangerous Goods |
| Amendment requested by Customer Voluntarily (*Remarks #2) | USD 3,000 | USD 4,000 | USD 5,000 |
| Amendment requested by YM or third parties when identified. | USD 10,000 | USD 20,000 | USD 30,000 |

Remarks:

1. Waste Cargo means cargo for disposal or recycling, typically may be described as: scrap, waste, spent, recycling, used, old, expired, defective, for disposal, recovery, regeneration cargo, etc.
2. For general cargo with special declaration requirement and waste cargo, if voluntary amendment request is received before we submit manifest to the Customs, Customer will be exempted from the Cargo Misdeclaration Fee.

Thanks and best regards,

Yang Ming Marine Transport Corp.