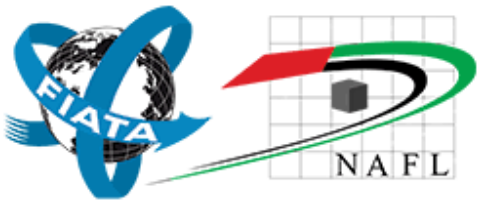
NAFL/STC



STANDARD TRADING CONDITIONS

The Customer's attention is drawn to the Clauses hereof which exclude or limit the Company's liability and these which require the Customer to indemnify the Company in certain circumstances.

DEFINITIONS AND APPLICATION

1. In these Conditions:

   "Company" is the NAFL member trading under these Conditions and this expression includes any parent subsidiary or affiliated company of the Company.

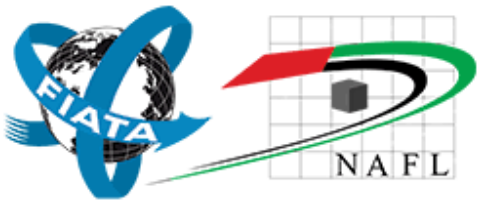
   "Person" includes persons or any body or bodies corporate.

   "Owner" means the Owner of the goods (including any packaging, containers or equipment) to which any business concluded under these Conditions relates and the consignee or any other Person who is or may become interested in or in possession or entitled to possession of them.

   "Customer" means any Person at whose request or on whose behalf the Company undertakes any business or provides advice, information or services.

2. a. Subject to Sub-Paragraph b. below, all and any activities of the Company in the course of business whether gratuitous or not are undertaken subject to these Conditions.

   b. If any legislation is compulsorily applicable to any business undertaken, these Conditions, shall as regards such business, be read as subject to such legislation and nothing in these Conditions shall be construed as a surrender by the Company of any of its rights or immunities or as an increase of any of its responsibilities or liabilities under such legislation to any extent such part shall as regards such business be overridden to that extent and no further.



3. The Customer warrants that he is either the Owner or the authorised agent of the Owner and also that he has authority to accept these Conditions not only for himself but also as agent for and on behalf of the Owner.

4. In authorizing the Customer to enter into any contract with the company and/or in accepting any document issued by the company in connection with such Contract, the Owner irrevocably accepts these Conditions for themselves and their agents and for any parties on whose behalf they or their agents may act, and in particular but without prejudice to the generality of this Clause, they accept that the Company shall have the right to enforce against them jointly and severally any liability of the Customer under these Conditions or to recover from them any sums to be paid to the Company by the Customer which upon proper demand have not been paid.

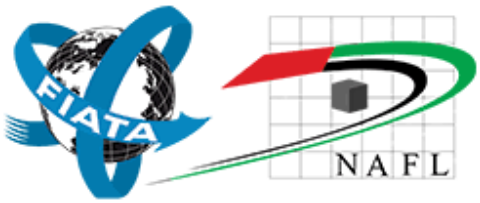
THE COMPANY

5. a. Subject to Clauses 13 and 14 below, the Company shall be entitled to procure any or all of its services as an agent or to provide these services as a principal.

b. The offer and acceptance of an inclusive price for the accomplishment of any service or services shall not itself determine whether any such service is or services are to be arranged by the Company acting as agent or to be provided by the Company acting as a contracting principal.

c. When acting as an agent the Company does not make or purport to make any contract with the Customer for the carriage, storage, packing or handling of any goods nor for any other physical service in relation to them and acts solely on behalf of the Customer in securing services by establishing Contracts with third parties so that direct contractual relationships are established between the Customer and such third parties.

d. The Company shall on demand by the Customer provide evidence of any Contract entered into as agent for the Customer. Insofar as the Company may be in default of this obligation, it shall be deemed to have contracted



with the Customer as a principal for the performance of the Customer's instructions.

6. When and to the extent that the Company has contracted as principal for the performance of any of its services, it undertakes to perform and/or in its own name to procure the performance of those services, and subject always to the totality of these Conditions and in particular to Clauses 26 - 29 hereof accepts liability for loss of or damage to goods taken into its charge occurring between the time when it takes the goods into its charge and the time when the Company is entitled to call upon the Customer or Owner to take delivery of the goods.

7. When and to the extent that the Company in accordance with these Conditions is acting as an agent on behalf of the Customer, it is acting in a customary manner. The Company shall be entitled, and the Customer hereby expressly authorizes the Company such entitlement, to enter into contracts on behalf of the Customer and the Owner: -

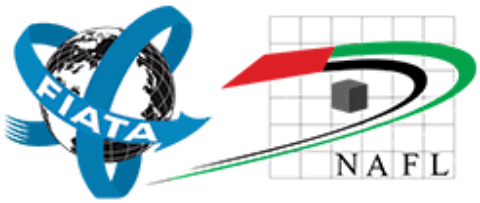
   a. for the carriage of goods by any route or means or Person,

   b. for the storage, packing, trans-shipment, loading, unloading or handling of The goods by any Person at any place and for any length of time,

   c. for the carriage or storage of goods in or on transport units as defined in sub clause 19 c. and with other goods of whatever nature, and

   d. to do such acts as may in the opinion of the Company be reasonably necessary in the performance of its obligations in the interests of the Customer and the Owner.

8. The Company reserves to itself a reasonable liberty as to the means, route and procedure to be followed in the handling, storage and transportation of goods. In any case where no particular route is agreed between the Company and the Customer, the Customer agrees that the agreed route is that which the Company reserves to itself a reasonable liberty to follow.



9. The Company is permitted to perform any of its obligations herein by itself or by a sub-contractor. For the purpose of allowing any such sub-contractor to take the benefit of these Conditions, the Company acts as agent and trustee for such sub-contractor in entering into a contract governed by these Conditions with the Customer and Owner.

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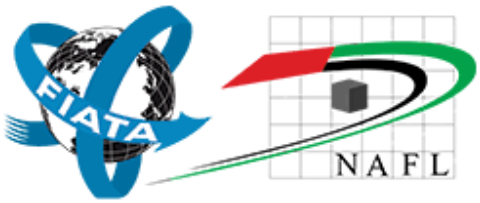
10. The Company shall have a general lien on all goods and documents relating to goods in its possession, custody or control for all sums due at any time from the Customer or Owner, and shall be entitled to retain such goods and documents against payment of the freightage expenses and other such sums due to him for the transportation.

11. The Company shall be entitled to retain and be paid all brokerages, commissions, allowances and other remunerations customarily retained by or paid to freight forwarders.

12. a. If delivery of the goods or any part thereof is not taken by the Customer or Owner, at the time and place when and where the Company is entitled to call upon such Person to take delivery thereof, the Company shall be entitled to store the goods or any part thereof at the sole risk of the Customer, whereupon the liability of the Company in respect of the goods or that part thereof stored as aforesaid shall wholly cease and the cost of such storage if paid for or payable by the Company or any agent or sub-contractor of the Company shall forthwith upon demand be paid by the Customer to the Company.

b. The Company shall be entitled at the expense of the Customer to obtain an order by the competent UAE Court to dispose of perishable goods or non-delivered goods as defined by sub clause 12 a. herein as the Court thinks fit.

13. a. No insurance will be effected except upon express instructions given in writing by the Customer and all insurances effected by the Company are



subject to the usual exceptions and conditions of the policies of the insurance company or underwriters taking the risk. Unless otherwise agreed in writing the Company shall not be under any obligation to effect a separate insurance on each consignment but may declare it on any open or general policy held by the Company.

b. Insofar as the Company agrees with the Customer to arrange insurance, the Company acts solely as agent for the Customer using its best endeavors to arrange such insurance and does so subject to the limits of liability contained in Clause 29 hereof.

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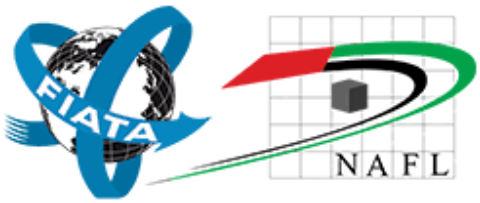
14. a. Except under special arrangements previously made in writing or under the form of a printed document signed by the Company, any instructions relating to the delivery or release of goods in specified circumstances only, such as (but without prejudice to the generality of this Clause) against payment or against surrender of a particular document, are accepted by the Company only as agents for the Customer where third parties are engaged to effect compliance with the instructions.

b. The Company shall not be under any liability in respect of such arrangements as are referred to under Sub-Clause a. hereof save where such arrangements are made in writing.

c. In any event, the Company's liability in respect of the performance or arranging the performance of such instructions shall not exceed that provided for in these Conditions in respect of loss of or damage to goods,

15. Advice and information in whatever form it may be given is provided by the Company for the Customer only and the Customer shall indemnify the Company against any liability, claims, loss, damage, costs or expenses arising out of any other persons relying upon such advice or information. Except under special arrangements previously made in writing, advice and information which is not related to specific instructions accepted by the Company is provided gratuitously and without liability.



16. a. Except under special arrangements previously made in writing the Company will not accept or deal with bullion, coin, precious stones, jewelry, valuables, antiques, pictures, human remains, livestock or plants. Should any Customer nevertheless deliver any such goods to the Company or cause the Company to handle or deal with any such goods otherwise than under special arrangements previously made in writing the Company shall be under no liability whatsoever for or in connection with such goods howsoever arising.

b. The Company may at any time waive its rights and exemptions from liability under Sub-Clause a. above in respect of any one or more of the categories of goods mentioned herein or any part of any category. If such waiver is not in writing, the onus of proving such waiver shall be on the Customer.

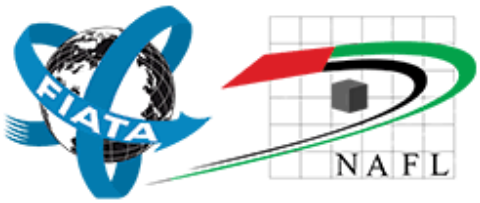
17. Except following instructions previously received in writing and accepted by the Company, the Company will not accept or deal with goods of a dangerous or damaging nature nor with goods likely to harbor or encourage vermin or other pests, nor goods liable to taint or affect other goods. If such goods are accepted pursuant to a special arrangement and then in the opinion of the Company they constitute a risk to other goods, property, life or health, the Company shall where reasonably practicable contact the Customer, but reserve the right at the expense of the Customer to remove or otherwise deal with the goods.

18. Where there is a choice of rates according to the extent of degree of liability assumed by carriers, warehousemen or others, no declaration of value where optional will be made except under special arrangements previously made in writing.

THE CUSTOMER

19. The Customer warrants:

a. That the description and particulars of any goods furnished by or on behalf of the Customer are full and accurate.



b. That all goods have been properly and sufficiently prepared, packed, stowed, labeled and/or marked, and that the preparation, packing, stowage, labeling and marking are appropriate to any operations or transactions affecting the goods and the characteristics of the goods.

c. That where the Company receives the goods from the Customer already stowed in or on a container, trailer, tanker, or any other device specifically constructed for the carriage of goods by land, sea or air (each hereafter individually referred to as the "transport unit"), the transport unit is in good condition, and is suitable for the carriage to the intended destination of the goods loaded therein or thereon.

20. Should the Customer otherwise than under special arrangements previously made in writing as set out in Clause 17 above deliver to the Company or cause the Company to deal with or handle goods of a dangerous or damaging nature, or goods likely to harbour or encourage vermin or other pests, or goods liable to taint or affect other goods, he shall be liable for all loss or damage arising in

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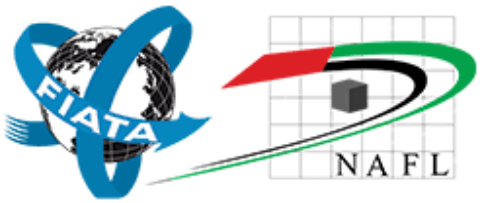
connection with such goods and shall indemnify the Company against all penalties, claims, damages, costs and expenses whatsoever arising in connection therewith, and the goods may be dealt with in such a manner as the Company or any other Person in whose custody they may be at any relevant time shall think fit.

21. The Customer undertakes that no claim shall be made against any director, servant, or employee of the Company which imposes or attempts to impose upon them any liability in connection with any services which are the subject of these Conditions and if any such claim should nevertheless be made, to indemnify the Company against all consequences thereof.

22. The Customer shall save harmless and keep the Company indemnified from and against:-



a. All liability, loss, damage, costs and expenses whatsoever (including without prejudice to the generality of the foregoing, all duties, taxes, imposts, levies, deposits and outlays of whatsoever nature levied by any authority in relation to the goods) arising out of the Company's action in accordance with the Customer's instructions or arising from any breach by the Customer of any warranty contained in these Conditions of from the negligence of the Customer, and -

b. Without derogation from Sub-Clause a. above, any liability assumed or incurred by the Company when by reason of carrying out the Customer's instructions the Company has reasonably become liable or may become liable to any other party, and -

c. All claims, costs and demands whatsoever and by whomsoever made in excess of the liability of the Company under the terms of these Conditions regardless of whether such claims, costs and demands arise from or in connection with the negligence or breach of duty of the Company its servants, sub-contractors or agents, and -

d. Any claims of a General Average nature which may be made on the Company.

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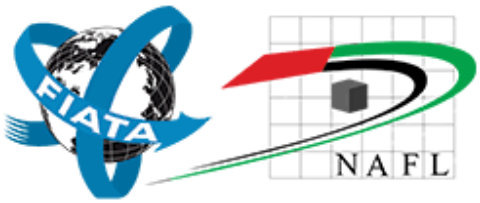
23. a. The Customer shall pay to the Company in cash or as otherwise agreed all sums immediately when due without reduction or deferment on account of any claim, counterclaim or set-off.

b. In respect of all sums which are overdue the Customer shall be liable to pay to the Company interest calculated at 2% above the Base Rate for the time being of the UAE Central bank.

24. Despite any acceptance by the Company of instructions to collect freight, duties, charges or other expenses from the Owner or any other Person the Customer shall remain responsible for such freight, duties, charges or expenses on receipt



of evidence of proper demand and in the absence of evidence of payment (for whatever reason) by the Owner or such other Person when due.

25. Where liability for General Average arises in connection with the goods, the Customer shall promptly provide security to the Company or to any other party designated by the Company in a form acceptable to the Company.

LIABILITY AND LIMITATION

26. The Company shall perform its duties with a reasonable degree of care, diligence, skill and judgment.

27. The Company shall be relieved of liability for any loss or damage if and to the extent that such loss or damage is caused by: -

    a. strike, lock-out, stoppage or restraint of labour, the consequences of which the Company is unable to avoid by the exercise of reasonable diligence.

    b. any cause or event which the Company is unable to avoid and the consequences whereof the Company is unable to prevent by the exercise of reasonable diligence.

28. Except under special arrangements previously made in writing the Company accepts no responsibility for departure or arrival dates of goods.

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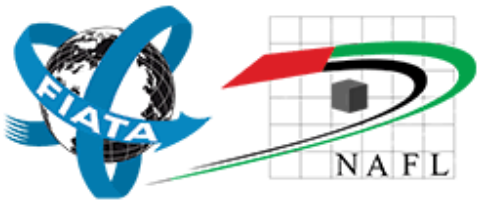
29. a. Subject to sub clause 2 b. above and Sub-Clause d. below the Company's liability howsoever arising and notwithstanding that the cause of loss or damage be unexplained shall not exceed.

    (i) In the case of claims for loss or damage to goods: -
    (a) the value of any goods lost or damaged, or



(b) a sum at the rate of Dirhams 30 (thirty) per kilo of gross weight of any goods lost or damaged, subject to a limit of Dirhams 20,000 (twenty thousand) per package or unit, whichever shall be the least

(ii) In case of all other claims: -

(a) the value of the goods the subject of the relevant transaction between the Company and its Customer, or

(b) a sum at the rate of Dirhams 30 (thirty) per kilo of the gross weight of the goods the subject of the said transaction, subject to a limit of Dirhams 20,000 (twenty thousand) per package or unit, whichever shall be the least.

For the purposes of sub clause 29

a. The value of the goods shall be their value when they were or should have been shipped.

b. Subject to sub clause 2 b. above, and Sub-Clause d. below, the Company's liability for loss or damage as a result of failure to deliver or arrange delivery of goods in a reasonable time or (where there is a special arrangement under Clause 28) to adhere to agreed departure or arrival dates shall not in any circumstances whatsoever exceed a sum equal to twice the amount of the Company's charges in respect of the relevant transaction.

c. Save in respect of such loss or damage as is referred to at Sub-Clause b. and subject to Sub-Clause 2 b. above and Sub-Clause d. below, the Company shall not in any circumstances whatsoever be liable for indirect or consequential loss such as (but not limited to) loss of profits, loss of market or the consequences of delay or deviation however caused,

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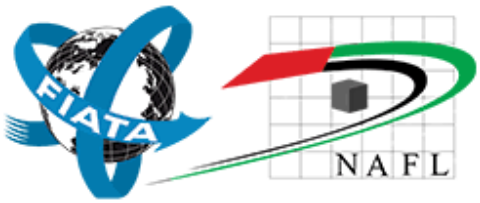
d. By special arrangement agreed in writing, the Company may accept liability in excess of the limits set out in Sub-Clauses a. to c. above upon the Customer agreeing to pay the Company's additional charges for



accepting such increased liability. Details of the Company's additional charges will be provided upon request.

30. a. The Conditions are without prejudice to the terms of any international convention which is applicable by law to any dispute which may arise in relation to the carriage of the goods.

b. If the Company acts as a principal in making an agreement for the carriage of goods by air, the following notice is hereby given: -

If the carriage involves an ultimate destination to or stop in a country other than the country of departure, the Warsaw Convention may be applicable and the Convention governs and in most cases limits the liability of carriers in respect of loss of or damage to cargo. Agreed stopping places are those places (other than the places of departure and destination) shown under requested routing and/or those places shown in the carriers' timetables as scheduled stopping places for the route. The address of the first carrier is the airport of departure.

31. Receipt by the Customer or Owner of visibly damaged goods without complaint shall invalidate any claim against the Company. Any claim against the Company arising from loss of or damage to the goods not visible at the time of receipt by the Customer or Owner must be made in accordance with the provisions of Art. 317 UAE Code of Commercial Practice, Federal Law No. 18 of 1993.

LAW, JURISDICTION AND CONCILIATION

32. These Conditions and any act or contract to which they apply shall be governed by U.A.E. law and any dispute arising out of any act or contract to which these Conditions apply shall be subject to the exclusive jurisdiction of the U.A.E. courts. In the event of any such dispute, the parties may instead agree to apply to the Dubai Chamber of Commerce for the dispute to be referred to conciliation in accordance with the Rules of Commercial Conciliation and Arbitration of the Dubai Chamber of Commerce & Industry of 22nd February 1994 or any amendment or revision thereof for the time being in force.

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