



SERVICECON

STANDARD SERVICE CONTRACT PART I

1. Service Contract Number:	2. Date of Contract:
3. Carrier (Name and full style address):	4. Shipper (Name and full style address):
5. Commencement Date:	6. Expiration Date or Period:
7. Liquidated Damages (Cl. 5):	8. Minimum Quantity Commitment (MQC) TEUS (state number of TEUS, if left blank then this contract shall be null and void):
9. Additional clauses, if agreed:	

It is mutually agreed between the party named in Box 3 and the party named in Box 4 that this Contract consisting of PART I including additional clauses, if any agreed and stated in Box 9, and PART II as well as Annexes A (FMC), B (Scope of Contract and Rates) and C (Shippers – Members and Affiliates) attached hereto, insofar as they are applicable, shall be performed subject to the conditions contained herein. In the event of a conflict of conditions, the provisions of PART I and Annexes A, B and C shall prevail over those of PART II to the extent of such conflict but no further.

Signature (Carrier)	Signature (Shipper)
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BIMCO SERVICECON STANDARD SERVICE CONTRACT

Preamble

This Standard Service Contract (hereinafter "Contract"), dated as stated in Box 2, has been entered into by the Carrier named in Box 3 and the Shipper named in Box 4 (including all those companies named in Annex C (Shippers – associated companies)) whereby the Carrier and Shipper (hereinafter the "Parties") mutually agree as follows:

Definitions

"Contract of Carriage" means the Carrier's bill of lading or sea waybill, as the case may be together with any booking note or confirmation, as may be amended from time to time.

"Contract Period" means the period from the date of commencement stated in Box 5 until the date of expiry or end of period stated in Box 6.

"Group" means any company in the same or common control of either party.

"MQC" means the Minimum Quantity Commitment of TEUS stated in Box 8 or such MQC reduced in accordance with Sub-clause 5(b).

"Cargo tendered" means cargo when given into the control of the Carrier.

1. Scope of Contract and Rates

This Contract covers the carriage of the cargo within the geographic scope at the rates and charges stated in Annex B (Scope of Contract and Rates) hereof.

2. Carrier's Commitment

- (a) The Carrier agrees to make available during the Contract Period equipment and vessel space adequate to carry:
 - (i) the MQC of cargo; and
 - (ii) at the Carrier's option, any additional cargo tendered by the Shipper during the Contract Period.
- (b) The Carrier shall provide the Shipper with access to the Carrier's container tracking service and scheduling information.
- (c) The Carrier will ensure its personnel receive adequate training as necessary to fulfill their duties under this Contract and that such duties shall be performed with due care, consistent with generally accepted industry standards.
- (d) The Carrier shall, at its own expense, maintain in effect during the Contract Period full insurance cover in respect of loss of or damage to the cargo by a Protection and Indemnity Club or liability underwriter and shall provide, on request, evidence of such insurance.

3. Shipper's Commitment

- (a) The Shipper agrees to tender to the Carrier not less than the MQC and shall endeavour to provide cargo evenly distributed throughout the Contract Period, or as otherwise agreed. In the event the Shipper is unable to tender the cargo evenly it shall give adequate notice to the Carrier of the variations in its requirements. Any significant variations in Shipper's requirements shall be by mutual agreement.
- (b) The Shipper agrees to give not less than the number of days' notice stated in Annex B (Scope of Contract and Rates) to the Carrier for the carriage of its cargo. If Annex B does not state notice periods then fifteen (15) days shall apply.
- (c) No cargo shipped under this Contract shall qualify for any discounts or apply toward any time/revenue or

BIMCO SERVICECON STANDARD SERVICE CONTRACT

time/volume requirement of any freight tariff or other service contract published by or on behalf of the Carrier.

4. Verification of Contract Carryings

- (a) For the purpose of determining whether or not a cargo movement occurs during the Contract Period, the pertinent date shall be the date of receipt of the cargo by the Carrier.
- (b) In order for cargo to qualify for rates and terms set forth in this Contract and to count towards the MQC the following shall apply:
- (i) each contract of carriage governing shipments under this Contract shall bear the Service Contract Number stated in Box 1;
- (ii) the Shipper must notify the Carrier at the time of booking that the cargo is to move under this Contract, specifying the Service Contract Number. Contracts of Carriage that do not have the Service Contract Number referenced shall not count towards the MQC, unless the Shipper produce evidence clearly indicating an error or omission, and proof sufficient to justify inclusion under the Contract;
- (iii) the Shipper must appear as shipper, consignee or notify party on the Carrier's Contract of Carriage; and
- (iv) the cargo must be subject to a rate quoted in Annex B (Scope of Contract and Rates).
- (c) For the purpose of satisfying the MQC the following shall apply:

Container description	Twenty-foot Equivalent Unit (TEU)
20 foot container	1 TEU
40 foot (8'6") container	2 TEU
40 foot (9'6") non-operating reefer container	2 TEU
40 foot (9'6") container	2 TEU
45 foot container	2.25 TEU
53 foot container	2.65TEU

5. Non-performance

The parties' sole and exclusive remedy in the event of a breach of the commitment by the other party shall be as set out below:

- (a) Shippers - If the Shipper fails to tender the MQC, it will pay liquidated damages measured as the difference between the TEUs actually shipped and the MQC at the rate stated in Box 7 per TEU. Such liquidated damages shall be paid to the Carrier within thirty (30) days following written notification to the Shipper by the Carrier.
- (b) Carriers - If the Carrier fails to carry cargo tendered by the Shipper within the MQC, the Shipper has the option to reduce the MQC by the quantity of cargo tendered but not carried, or in the event of repeated breaches by the Carrier, to terminate this Contract in accordance with Clause 9(b) (Termination).
- (c) Carriers - If the Carrier fails to carry the cargo tendered (provided the Shipper has complied with Sub-clause 3(a)) by the end of the Contract Period, it will pay proven damages directly arising from such failure which for each container shall not exceed the rate per TEU stated in Box 7.

6. Force Majeure

Neither the Carrier nor the Shipper shall be responsible for any failure to perform its obligations (save for payment obligations) under this Contract caused by any event whatsoever beyond its reasonable control ("Force Majeure") including, but not limited to acts of God, government restrictions, wars, insurrections, acts or threats of terrorism, natural disasters, and the effects thereof, save that commercial contingencies, for example changing markets and business declines, shall not be included. The party invoking this Clause shall make all reasonable efforts to avoid, minimize or prevent the effect of such events and/or conditions.

BIMCO SERVICECON STANDARD SERVICE CONTRACT

Upon cessation of Force Majeure events, the remaining Contract obligations shall resume for the balance of the Contract Period and the MQC shall be adjusted accordingly on a pro rata basis. If the Contract Period expires before the cessation of Force Majeure events or if the events last for more than thirty (30) days from the date the party invoked this Clause, either party shall have the right to terminate the affected parts of this Contract by giving notice to the other party.

7. Contracts of Carriage

All terms and conditions, liberties and exceptions of the Contract of Carriage covering shipments under this Contract, including the dispute resolution provisions, are herewith incorporated by reference. To the extent that such Contract of Carriage may be in conflict with this Contract, this Contract shall prevail.

8. Assignment

This Contract may be assigned by either party, in whole or in part, within its Group, but outside its Group assignment is subject to the prior written consent of the other party. In the event of an assignment the original contracting parties shall remain fully responsible for the due performance of their obligations under this Contract.

9. Termination

- (a) Either party may, at any time after the MQC has been met, terminate this Contract with immediate effect.
- (b) If there is a material breach or repeated non-material breach (which taken as a whole constitutes a material breach) by either party under this Contract, the party not in breach may give notice to the other party requiring that party to remedy the breach within thirty (30) days. If that party fails to remedy the breach within thirty (30) days, the other party shall be entitled to terminate this Contract with immediate effect by notice in writing.
- (c) This Contract shall terminate forthwith in the event of an order being made or resolution passed for the winding up, dissolution, liquidation, reconstruction, amalgamation or bankruptcy of either party or if a receiver is appointed, or if it suspends payment, ceases to carry on business or makes any special arrangement or composition with its creditors.
- (d) The termination of this Contract shall be without prejudice to all rights accrued due between the parties during its performance.

10. Dispute Resolution Clause

Disputes arising under this Contract shall be resolved in accordance with the dispute resolution provisions of the Contract of Carriage.

11. Confidentiality

In respect of confidential information disclosed during pre-contractual discussions and the terms and conditions of this Contract, except upon written consent of either party, or to the extent required by law, or by request of a Government or agency thereof, neither party shall disclose such information to third parties. Either party may relay to a third party the terms and conditions of this Contract for the purposes of enforcement hereof and may relay anonymised information to third parties for statistical data purposes. Disclosure of confidential information by persons formerly employed by either party, after their employment has ceased, shall not constitute a breach of the confidentiality obligations. This confidentiality clause shall cease to apply twelve (12) months after the date of termination of this Contract for any reason.

12. Entire Contract

This Contract constitutes the entire agreement between the parties and no promise, undertaking, representation, warranty or statement by either party prior to the date stated in Box 2 shall affect this Contract. Any modification of this Contract shall not be of any effect unless in writing signed by or on behalf of the parties.

BIMCO SERVICECON STANDARD SERVICE CONTRACT

13. Notices

Any party giving notice hereunder shall ensure that it is effectively given and such notice shall be treated as received during the recipients' office hours. If such notice is sent outside the recipients' office hours it shall be treated as received during the recipients' next working day.

Sample copy

**ANNEX A (FMC REQUIREMENTS)
TO THE BIMCO STANDARD SERVICE CONTRACT
CODE NAME: SERVICECON**

1. Shipper Certification (if applicable)

Pursuant to FMC regulation 46 C.F.R. 530.6, the Shipper, by execution of this contract, certifies its status and that of all its affiliates authorised to utilise this contract as:

- (a)** The owner of the cargo
- (b)** A member of a Shipper's Association
- (c)** A Non-Vessel Operating Common Carrier (NVOCC)
- (d)** Other (Specify:)

If the status is (b) above, the Shipper certifies that any named members in this contract who are NVOCC's are so identified and that they have tariff(s) and bond(s) on file with the FMC as required by law and regulation.

If the status is (c) above, the Shipper certifies that any such NVOCCs have tariff(s) and bond(s) on file with the FMC in full compliance with FMC regulations and that copies of tariff pages reflecting same have been provided to the Carrier.

Notwithstanding the Commencement Date stated in Box 5, if the Contract is filed with the FMC at a later date then the date on which it is fully executed and filed with the FMC shall be the effective date of contract.

2. Shipment Records (if applicable)

The Carrier's Contract of Carriage, the Shipper's statements of cargo shipped under this Contract, written communications issued by the Carrier regarding such statements, and Force Majeure correspondence and notices, shall constitute the records supporting performance under this Contract, and shall be maintained by the Carrier or his designated agent.

**ANNEX B (SCOPE OF CONTRACT AND RATES)
TO THE BIMCO STANDARD SERVICE CONTRACT
CODE NAME: SERVICECON**

Note: The Carrier should attach its standard form rate sheet, including the geographic scope, commodities and equipment as agreed with the Shipper. The rate sheet should state that any rate not agreed is subject to the governing tariff.

Notices (Cl. 3(c))	Port	Days

Sample copy

ANNEX C (SHIPPERS – ASSOCIATED COMPANY)
TO THE BIMCO STANDARD SERVICE CONTRACT
CODE NAME: SERVICECON

Name of associated company	Full style address

Sample copy