

FREE TIME AND DEMURRAGE IN NORTH AMERICA

Tariff Number: 032

Rule Number: 17

Sub Rule: 13

1. DEFINITION

For the purpose of this rule, the term "terminal operator" includes any and all North American (including port) terminals, inland rail terminals or depots, and/or motor terminals or depots over which a container is moved en route to its final destination.

2. LIMITATIONS/EXCLUSIONS

a. Charges shown herein do not include costs incidental to performance of services required by governmental authorities. Any and all such costs, including but not limited to stripping/restuffing of containers and inspection of cargo, shall be for the account of the cargo.

b. In the event a terminal operator tariff provides for collection of demurrage from the cargo interest, the free time and demurrage at that location shall be solely between the terminal authority and the cargo interest and carrier shall assess a per-diem charge as provided in paragraph 3.b. herein.

3. FREE TIME/DEMURRAGE CHARGES

a. Free time at the terminal shall be in accordance with the provisions of each terminal operator.

b. Upon expiry of the above free time, the following demurrage and/or per-diem charges will be assessed:

For cargo discharge or Customs Clearance at ports at Seattle, WA/Everett, WA/ Portland, OR:

Free time will commence at 07:00 a.m. on the first business day after container discharges from a vessel.

Free Time Allowed:

For Dry Cargo: 7 calendar days

For Reefer Cargo: 4 calendar days

For Special Equipment: 4 calendar days

Demurrage Charge (per container per day):

For Dry Cargo and Non-operating reefer:

1-4 days - US\$ 240.00

5-9 days - US\$ 300.00

10+ days - US\$ 360.00

For Reefer Cargo:

1-4 days - US\$ 450.00

5-9 days - US\$ 500.00

10+ days - US\$ 600.00

For Special Equipment Cargo:

1-4 days - US\$ 450.00

5-9 days - US\$ 500.00

10+ days - US\$ 600.00

For cargo discharge or Customs Clearance at ports at Vancouver, BC:

Free time will commence at 07:00 a.m. on the first business day after container discharges from a vessel.

Free Time Allowed:

For Dry Cargo: 5 calendar days
For Reefer Cargo: 2 calendar days
For Special Equipment: 2 calendar days

Demurrage Charge (per container per day):

For Dry Cargo and Non-operating reefer:

1-4 days - US\$ 240.00
5-9 days - US\$ 300.00
10+ days - US\$ 360.00

For Reefer Cargo:

1-4 days - US\$ 450.00
5-9 days - US\$ 500.00
10+ days - US\$ 600.00

For Special Equipment Cargo:

1-4 days - US\$ 450.00
5-9 days - US\$ 500.00
10+ days - US\$ 600.00

(b1) At each location where the terminal operator does not assess demurrage charges directly to the cargo interest, carrier's demurrage charge shall be equal to the demurrage charge provided in the terminal operator's tariff PLUS 10%. An Administrative fee of US\$50.00 per invoice will also apply. In the event the total charge is less than \$250, the administrative fee shall be \$250 in lieu of the calculated charges.

(b2) Free time and storage on breakbulk cargo will be assessed in accordance with the provisions of the applicable port or terminal tariff and shall be settled directly between the terminal operator and the cargo interest, unless otherwise specifically noted in an individual TLI.

(b3) For breakbulk cargo at each location where the terminal operator does not assess demurrage charges directly to the cargo interest, carrier's demurrage charge shall be equal to the demurrage charge provided in the terminal operator's tariff. An Administrative fee of US\$50.00 per invoice will also apply. In the event the total charge is less than \$250, the administrative charge shall be \$250 in lieu of the calculated charges.

4. EXCEPTIONS:

a. All commodities moving in shipper owned containers will not be subject to these charges

b. Upon expiry of free time, or at any time there-after, the carrier, in addition to the assessment of applicable demurrage charges specified above, shall have the right, at its discretion, to move the containers intact to a storage area or to discharge the contents of containers on demurrage into public storage. All risks and expenses, including unloading, storage, drayage, handling, and incidental expenses incurred as a result of such action, shall be for the account of the cargo.

c. In each instance when carrier, in order to comply with U.S. Customs regulations for general order (G.O.) merchandise, must notify Customs of cargo unentered at place of unloading within the prescribed time period, carrier will assess an administrative charge of US\$100.00 per bill of lading.