



Unitcarga Container line., Inc.

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**UNITCARGO CONTAINER LINE, INC.
CREDIT AND LIEN AGREEMENT AND APPLICATION**

WHEREAS _____
(Please print or type legal business name)

("Merchant") is or may be shipper or consignee of goods shipped under bills of lading issued by Unitcarga Container Line, Inc (UCL) which recite that freight and other charges are "prepaid" or "to be prepaid," and/or "collect" and Merchant is therefore responsible for the payment to UCL of freight and other charges thereon;

WHEREAS, Merchant wishes Unitcarga Container Line, Inc. to issue and release to Merchant such bills of lading and/or cargo before UCL has been paid freight and other charges due and therefore requests that Unitcarga extend credit to Merchant, and UCL agrees to extend such credit pursuant to the terms hereof:

WHEREAS, in consideration for the receipt of credit hereunder, Merchant is willing to grant UCL a lien on all cargo owned by, consigned to, or moving for the account of Merchant that is transported by UCL, whether moving on UCL Bill of Lading or otherwise.

NOW, THEREFORE, Merchant and UCL hereby agree as follows:

1. Merchant shall fully complete the annexed Credit Application and shall sign where indicated on the Credit Application. This Credit Agreement shall be effective only upon the approval of the Credit Application by UCL through a duly authorized employee of UCL. This Credit Agreement shall continue in effect until terminated by either party by giving written notice to the other, provided that such termination shall not extinguish any of Merchant's liabilities otherwise existing hereunder.
2. UCL may issue a release to Merchant prior to actual payment to UCL of freight and other charges due on cargo received for transportation by UCL under bill(s) of lading at the time they are issued and released in such forms as UCL may require. Any irregularity in the receipt or in its execution or any failure to obtain such receipt shall not affect, in any manner, Merchant's obligations to pay all such freight and other charges within the time limit set forth herein. Authorized agents of Merchant may, on Merchant's behalf, receive such bill(s) of lading and sign and deliver receipts therefore.
3. Merchant shall effect payment to UCL of all freight and other charges due UCL for shipment upon the earlier of (a) expiration of twenty (20) calendar days after the sailing the vessel utilized by UCL to transport the cargo from the port of loading for freight prepaid charges if Merchant is the shipper of goods, or all compensation payable to UCL on a collect basis, and all moneys advanced by UCL for the account of the cargo shall be due and payable prior to the delivery of the cargo at final destination if Merchant is the consignee of goods, as the case may be, or such different period as may be specified in the applicable tariff or service agreement (b) UCL demand for payment which demand may be made at any time in UCL' sole discretion.

4. If the services of a broker, forwarding agent or others (hereinafter collectively "Agents") are utilized in connection with the payment of freight or other charges to UCL, Merchant agrees that such Agents act as Merchant's agents for such purpose and not as the agents of UCL. Merchant further specifically agrees that, in extending the credit herein provided for, UCL is relying upon the credit of the Merchant and upon UCL's Lien on the goods (as hereinafter defined), and not upon the credit of such Agents. Merchant shall be absolutely and unconditionally responsible for payment to UCL of all freight and other charges within the period above prescribed, whether or not funds for payment of such freight and other charges have been advanced by Merchant to Agents.

If Merchant provided funds to Agent to pay freight or other charges due UCL, Merchant does so at its own risk, and in the event such Agent converts such funds to its own use or for any other reason whatsoever fails to pay them to UCL, Merchant shall remain absolutely and unconditionally liable to UCL for the payment of such freight and or other charges. In no event shall any demand by UCL upon such Agent for payment of freight and other charges constitute a waiver or an estoppel of UCL's right to enforce Merchant's undertaking herein.

5. In consideration of the grant of credit by UCL, Merchant hereby grants to UCL a lien on all cargo owned by, consigned to or moving for the account of Merchant that has been or is being transported by UCL under its bills of lading ("Lien"). This Lien shall be enforceable by UCL against cargo in its possession or control with respect to any monies due and owing to UCL by Merchant with respect to shipments in UCL's possession, as well as with respect to any monies due and owing to UCL for shipments no longer in UCL's possession.
6. this Agreement relates only to payment of freight and related charges and grant of the Lien, and is not intended and shall in no event be construed to require UCL to issue, release or date "on board" or "received for shipment" bills of lading before such time as the shipment has in fact been loaded on board or received by UCL for shipment, as the case may be. Except to the extent to this Agreement creates the Lien, nothing herein shall otherwise revoke, rescind or in any way modify Clause 14 and 15 of UCL's regular long form bill of lading which is set forth below:

CLAUSE 14 – FREIGHT

- (a) Freight has been calculated on the basis of particulars furnished by the Merchant. If these particulars are incorrect, the Merchant shall pay to the Carrier liquidated damages equal to double the correct Freight minus the Freight already paid.
- (b) The Merchant and the Goods are jointly and severally liable to the Carrier for the payment of Freight
- (c) Full Freight is completely earned upon entry into the contract of Carriage or on receipt of the Goods by the Carrier, whichever occurs first. The Carrier is absolutely entitled to all Freight, whether paid or not, and to receive and retain the Freight under all circumstances including the vessel and/or Goods lost or not lost; the Carriage changed, broken up, frustrated, suspended or abandoned; and lost. The Carrier's right to full Freight shall not be affected by the Carrier's exercise of any defenses. Full Freight shall be paid without deduction for any counter claim, cross-claim, offset, deduction or recoupment however described.
- (d) The Merchant and Goods shall be jointly and severally liable to the Carrier for the payment of all Freight, demurrage, general average, salvage and other charges, including, but not limited to, court fees, expenses and reasonable legal fees incurred in collecting the sums due to Carrier. The Merchant's obligation to pay full Freight is not affected by the fact that this bill of lading may contain any of the following similar notations: "Freight Prepaid", "C.I.F.", "F.O.B." or by any misquotation or misinformation provided to the Merchant by the Carrier or its agents.

- (e) Payment of Freight forwarder, broker or anyone other than the Carrier or its authorized agent is not payment to the Carrier and shall be made at the payer's sole risk. The Freight forwarder is the exclusive agent of the Merchant for all purposes.

CLAUSE 15 – LIEN

The Carrier shall have a general lien on the Goods for all sums payable by the Merchant to the Carrier under this contract and for general average contributions, to whomsoever due and on any documents relating to the Goods. The Carrier shall also have a lien against the Merchant of Goods and any documents relating thereto for all sums due from him to the Carrier under any contract. The Carrier may exercise his lien at any time and in any place in his sole discretion whether the contractual voyage is completed or not. The Carrier has the right to sell the Goods at public or private sale without notice to the Merchant to satisfy the lien in whole or in part and the cost of the sale may be deducted from the proceeds by the Carrier. If the proceeds of the sale fail to cover the whole amount, the Carrier is entitled to recover the deficit from the Merchant.

7. This Agreement does not apply to and shall not operate to extent credit in respect of freight and charges incurred by the Merchant pursuant to a conference or rate agreement tariff if such conference or rate agreement tariff either prohibits the granting of credit or includes its own Credit Agreement, whether or not Merchant is actually signatory to a Credit agreement of such conference or rate agreement.
8. In the event UCL delivers the shipment to the consignee prior to payment to UCL of all freight and other charges due thereon, Merchant expressly agree that UCL' lien on the goods for such amounts shall survive delivery and shall be extinguished only by payment of such amounts to UCL.
9. Credit privileges granted hereunder may be temporarily suspended or permanently terminated by UCL upon Merchant's failure or refusal to comply with the hereof, provided that such suspension or termination shall not extinguish any of Merchant's liabilities otherwise existing hereunder or the validity of the Lien. The failure of UCL on any occasion or occasions to suspend or terminate credit privileges in accordance with this provision shall not constitute a waiver or estoppel of its right to do so at a later time.
10. In the event Merchant fails or refuses to comply with the provisions hereof, Merchant shall be liable to UCL for any and all losses, damages or expenses of whatsoever nature incurred by UCL resulting from or arising out of such failure or refusal, including but not limited to the amount of freight and charges due and unpaid, legal interest thereon and attorneys fees, court costs and other costs incurred by UCL in seeking recovery thereof
11. On the Credit Application attached hereto Merchant (a) identifies five credit references, one of which is Merchant's principal bank, and (b) authorizes each credit reference so identified to make full disclosure to UCL of such credit information concerning Merchant a UCL may request.
12. In the event of a conflict between terms and conditions of the credit agreement, and/or tariff or bill of lading provisions, the terms and conditions of the credit agreement shall prevail.

Merchant _____ UNITCARGO CONTAINER LINE, INC
(please print or type)

Signed: _____ Signed: _____

Name: _____ Name: _____

Title: _____ Title: _____

UNITCARGO CONTAINER LINE, INC.

Tel: (713) 728-3585

Facsimile: (713) 728-9997

CREDIT APPLICATION

LEGAL NAME AND BILLING ADDRESS

Name _____

Address _____

City _____

Phone _____ **Fax** _____

Type of Business _____

Legal Ownership: _____ **Corporation** _____ **Partnership** _____ **Proprietorship**

_____ **Limited Liability Corporation**

Credit References:

Name _____

Address _____

City _____ **State** _____ **Zip** _____

Phone () _____ **Fax** () _____

Name _____

Address _____

City _____ **State** _____ **Zip** _____

Phone () _____ **Fax** () _____

Bank Reference:

Name _____ **Office** _____

Address _____

City _____ **State** _____ **Zip** _____

Phone () _____ **Fax** () _____

Checking Acct Number _____

Authorization for Bank to release information

Signature

Date: _____