MSC EXTENDED PROTECTION
GENERAL TERMS AND CONDITIONS

INTRODUCTION

The MSC Extended Protection solution ("**EPR**") is a service provided by MSC Mediterranean Shipping Company SA ("**MSC**") and tailor-made for Full Container Load ("**FCL**") and Less than Container Load ("**LCL**") shipments with MSC. EPR is not an insurance programme. Instead, the Merchant entering a Contract of Carriage with MSC may enter into an agreement for their Qualified Cargo shipments (covering a wide range of goods on terms described below). When the Merchant enters into an EPR agreement, a supplemental level of protection is offered during transit with MSC in case of physical damage to or loss of the Merchant's Qualified Cargo and associated losses. EPR is available for an additional cost based on shipment value (CIF value, plus 10%) for full protection, or based on a declared value lesser than the shipment value, for partial protection. The General Terms and Conditions ("**GTCs**") governing EPR are set out below.

1) **DEFINITIONS**
2) **CONTRACTING PARTIES**
3) **APPLICATION OF SERVICE**
4) **NON-APPLICATION OF SERVICE**
5) **DISCLAIMER OF WARRANTY**
6) **PROCEDURES AND LIMITATIONS**
7) **COMPENSATION PROCESS**
8) **CONDITIONS, PRECEDENT, TIME BAR AND JURISDICTION**
9) **SEPARABILITY AND VARIATION OF TERM, FINAL CONTRACT**

ANNEX 1 – RESTRICTED COMMODITIES

ANNEX 2 – SHIPMENTS TO AND FROM UKRAINE

1. Definitions

The following definitions shall apply in these GTCs:

"**CIF**" means the sum of the cost, insurance, and freight for Goods.

"**Container**" means any container, trailer, transportable tank, flat or pallet, or any similar article used to consolidate Goods and any connected or accessory equipment.

"**EPR**" or "**Extended Protection**" means the Extended Protection service.

"**EPR Charge**" means the *ad valorem* charge required to be paid in order to enter into the EPR agreement.

"**Excluded Cargo**" means categories of Goods that do not qualify for EPR and to which the EPR service shall never apply, as more fully described in Section 4.4.

"**Goods**" means the whole or any part of the cargo carried under an MSC Bill of Lading or MSC Sea Waybill. "**GTCs**" means these General Terms and Conditions which govern the EPR service.

"**Merchant**" means the Shipper or Consignee under an MSC Bill of Lading or MSC Sea Waybill, or other holder in due course of an MSC Bill of Lading.

"**MSC**" means MSC Mediterranean Shipping Company S.A. and, for the purpose of these GTCs, specifically includes its agents in the United States of America and Canada.

"**MSC Contract of Carriage**" means an MSC Bill of Lading or an MSC Sea Waybill.

"**Person**" means an individual, corporation, company, or any other legal entity

"**Refrigerated Cargo**" means cargo suitable for transport in operating refrigerated container

"**Refrigerated Cargo**" means cargo suitable for transport in operating refrigerated container

"**Qualified Cargo**" means Goods other than Excluded Cargo and Restricted Cargo, being carried under MSC's Bill of Lading worldwide except in those countries subject to geographical exclusions as defined under section 4.2, for which the Merchant has paid the EPR Charge. At MSC's sole discretion, certain Restricted Cargo may also constitute Qualified Cargo under Section 4.4.3. Under no circumstances whatsoever will Qualified Cargo ever include Excluded Cargo. "**Restricted Cargo**" means categories of Goods which are not included in the EPR agreement and to which the EPR service does not apply, unless expressly agreed otherwise by MSC in accordance with the procedure set forth in Section 4.4.3.

"**Shipment**" means the carriage goods under an MSC Bill of Lading or an MSC Sea Waybill.

"**Shipment Value**" means the value of Qualified Cargo based on CIF terms, plus 10%.

"**Vessel**" means the vessel named in the MSC Contract of Carriage or any substituted vessel, feeder vessel, lighter, or other watercraft utilized by the carrier for carriage by sea, provided it is an approved iron and/or steel power vessel, subject to the Classification Clause.

2. Contracting Parties

2.1 These GTCs govern the EPR service that the Merchant has purchased from MSC for a Shipment of Qualified Cargo.

3. Application of Service

3.1 Applicable Causes of Loss or Damage: EPR shall only apply to categories of loss or damage to Qualified Cargo during Shipment caused by:

(i) War risks at sea.

Under the standard tariff, EPR does not cover war risk at sea for shipments transiting through, originating from, or destined for areas subject to geopolitical risks. War risk at sea may be included upon request and subject to MSC's acceptance as an optional extension, under an adapted tariff.

Such areas include, but are not limited to, the Southern Red Sea, the Gulf of Aden, the Persian Gulf region, the territorial waters of Ukraine (including Crimea and the Luhansk and Donetsk regions), Israel, Lebanon, and the Palestinian Territories. MSC reserves the right to update or amend this list at any time.

War risk protection includes:

Loss or damage to cargo caused by war, civil war, revolution, rebellion, insurrection, civil strike or any hostile act by or against a belligerent power;

Cargo capture, seizure, arrest, restraint or detainment arising from a war-risk event, including the consequences of such an event or any attempt thereat;

Loss or damage caused by derelict mines, torpedoes, bombs or other derelict weapons of war;

General average and salvage charges incurred to avoid or in connection with the avoidance of a loss caused by a covered war risk.

(ii) Fire;

(iii) Stranding, grounding, sinking, or collision;

(iv) Heavy weather events;

(v) Acts of God / natural events;

(vi) Wetting damages due to Container holes allowing water infiltration;

(vii) Stevedore mishandling;

(viii) Theft or pilferage; or

(ix) Costs for sue and labour directly caused by the foregoing.

Each of the categories listed in Section 3.1 (i) through (viii) above is hereafter referred to as "**Qualified Causes**".

3.2 Additional Enhancements: EPR also provides the following additional enhancements for certain categories of loss or damage to Qualified Cargo, or costs directly related to such losses:

(i) **Airfreight replacement**: In the event of loss or damage caused by a Qualified Cause listed in Section 3.1, EPR will also apply to the costs of air freighting the damaged parts to manufacturers for repair and return, or the air freighting of replacement parts from suppliers to destination.

(ii) **Customs damage**: In the event of loss or damage to Qualified Cargo caused by the actions of Government agents performing their customs inspection duties, EPR will also apply to such losses or damages.

(iii) **Debris removal**: In the event of loss or damage caused by a Qualified Cause listed in Section 3.1, EPR also applies to expenses incurred for the removal/disposal of debris from Qualified Cargo, with the following exceptions: EPR shall not apply to: (a) any expenses incurred in consequence of, or to prevent or mitigate pollution or contamination, or any threat of or liability thereof; or (b) the cost of removal of cargo from any vessel or connecting watercraft. In no event shall MSC be liable for debris removal or disposal for an amount greater than 10% of the value of the Qualified Cargo.

(iv) **Fumigation loss or damage**: In the event of loss or damage to Qualified Cargo caused by fumigation while Qualified Cargo is in the custody and control of MSC, EPR will also apply.

(v) **Returned/refused shipment**: If a consignee refuses or is unable to accept delivery of Qualified Cargo, the applicability of EPR to the Qualified Cargo will be extended while the Qualified Cargo is re-routed but, such extension of the EPR shall automatically expire on the thirtieth (30) day following the date on which the consignee should have accepted delivery of the Qualified Cargo unless carriage for a re-routing Shipment has commenced within such period of thirty (30) days.

(vi) **General Average securities**: In the event that the General Average is declared, EPR will provide the required General Average security on behalf of the cargo interests and, within the limits of the protected value selected, will indemnify said cargo interests for loss of or damage to cargo falling within the scope of EPR protection and/or settle any General Average contribution assessed by the appointed adjusters, unless such loss has been caused by any of the causes as indicated below:

- Willful misconduct of the Merchant;
- Ordinary leakage, ordinary loss in weight or volume or ordinary wear and tear of the Qualified Cargo;
- Loss or damage caused by insufficient or improper packing of the Qualified Cargo;
- Loss or damage caused by inherent vice or nature of the Qualified Cargo;
- Loss or damage caused by delay;
- Loss or damage directly or indirectly caused by or arising from the use of any weapon or nuclear device;
- Known unseaworthiness of the vessel;
- Unfitness of the container or conveyance for self-carriage of the Qualified Cargo;

(vii) **Reefer temperature variation**: For Qualified Cargo comprising perishable items shipped in refrigerated Containers, EPR will apply to loss, damage, or deterioration due to, or caused by, derangement, breakdown, or stoppage of refrigeration machinery, provided such derangement, breakdown, or stoppage continues for not less than twenty-four (24) consecutive hours.

Each of the categories listed in Section 3.2 (i) through (vii) is hereafter referred to as "**Additional Enhancement Causes or Costs**".

4. Non-Applications of Service

4.1 Non-applicable causes of loss or damage: Notwithstanding anything to the contrary, EPR shall never apply to losses or damages caused to Qualified Cargo by the following categories, which shall never be deemed Qualified Causes or

Additional Enhancement Causes or Costs:

(i) Loss or damage attributable, in any way whatsoever, to the wilful or intentional misconduct of the Merchant, Merchant's agent, subsidiary or subcontractor, or any other Person acting on behalf of the Merchant;

(ii) Delay;

(iii) Inherent defect, quality, or vice;

(iv) Insufficient or improper packaging;

(v) Temperature or atmospheric pressure changes;

(vi) Ordinary leakage, loss in weight, or wear and tear;

(vii) Geopolitical events (including sanctions on countries, entities, individuals, or on any Goods; capture; seizure; arrest; or civil commotion);

(viii) Any chemical, biological, bio-chemical, or electromagnetic weapon (whether used as such or collaterally causing any loss or damage);

(ix) Radioactive contamination;

(x) Cyber risk;

(xi) Nuclear incidents; or

(xii) Pollution and contamination.

4.2 Geographical Exclusions: EPR shall never apply to Shipments, or any carriage of any Goods whatsoever, from or to or through the following excluded countries, territories or regions: Afghanistan; Cuba; Iran; North Korea; Sudan and . Ukraine, including the territories of Crimea and Donetsk, is excluded, except for Odesa. Notwithstanding anything in these GTCs to the contrary, EPR shall immediately cease to be offered for any shipment originating from or to a destination in any country or territory which is itself the subject or target of any sanctions administered by the European Union, Switzerland, or the United States of America, unless explicitly authorized by MSC, in compliance with the aforementioned sanction regulations and under specific terms and conditions.

4.3 Excluded Cargo: EPR shall not apply to the following Excluded Cargo (and no such cargo shall be deemed to constitute Qualified Cargo without MSC's express and prior written agreement and under specific terms and conditions): bank notes; bullion; containers; contraband; currency; documents; evidence of debt; , hazardous goods belonging to Class 1 and 7 only; jewellery of value; lottery tickets; live plants or animals; bulk lumber (unless reviewed on a case-by-case basis within volume contracts); manuscripts; money, bills, or coins; negotiable instruments; passports; precious metals; precious stones; records; securities; stamps, including food stamps; weapons or ammunition; and unlawful, illicit, or in any way prohibited Goods, including but not limited to drugs, illegal substances, stowaways, contraband of war, and/or any Goods prohibited or in violation of any port rules or regulations.

4.4 <u>Restricted Cargo</u>

4.4.1 The following constitute Restricted Cargo:

(i) Antiques and/or artwork;

(ii) Automobiles and/or motorcycles;

(iii) Boats/Yachts;

(iv) Breakables;

(v) Hazardous goods other than class 1 and 7 (on case-by-case basis, provided Merchant complies fully with IMO's IMDG code and MSC internal guidelines for shipments of dangerous and critical commodities (other than Class 1 and 7);

(vi) Household goods and/or personal effects;

(vii) Jewellery or watches of value up to USD 25,000 per shipment. Jewellery or watches of more than USD 25,000 per

shipment cannot be protected under the EPR service;

(viii) On-deck Bills of Lading merchandise;

(ix) Scrap;

(x) Steel/iron – sheets/coil/pipe/rod/wire;

(xi) Used and/or refurbished merchandise;

(xii) Shipper-Owned Containers; or

(xiii) Commodities prone to condensation.

(xiv) Shipments Requiring Refrigeration: Fresh Commodities (including edible) and Pharmaceuticals.

4.4.2 MSC EPR does not apply to Restricted Cargo unless expressly authorized in writing by MSC pursuant to the procedure set forth in Section 4.4.3.

4.4.3 MSC EPR may be made applicable to Restricted Cargo, with the effect of treating a specific type of Restricted Cargo as Qualified Cargo, subject to specific terms and conditions outlined in Annex 1 of these GTCs. The conditions and approval of any request under this Section are at the sole discretion of MSC.

4.5 MSC EPR shall not be deemed to apply to the extent application would cause MSC to make any payment which would violate or expose MSC to possible sanction, prohibition, or restriction under United Nations resolutions or the trade or economic sanctions, laws, or regulations of the European Union, Switzerland, the United Kingdom or the United States of America.

4.6 Any statutory, contractual, or other defence not expressly excluded by these GTCs is expressly reserved.

5. Disclaimer of Warranty

5.1 MSC EPR is provided on an “as is” basis. Accordingly, MSC disclaims any and all warranties, express or implied, including without limitation, the implied warranties of information and materials, regarding MSC EPR as mentioned in these GTCs or any other document. Merchants acknowledge that such information and materials may contain inaccuracies or errors and they expressly exclude liability for any such inaccuracies or errors to the fullest extent permitted by law. MSC accepts no responsibility for checking/verifying the accuracy of reports or any data submitted by the Merchant while using MSC EPR.

5.2 MSC does not warrant that MSC EPR shall meet all of the customer’s requirements or that its operations will be uninterrupted or error-free. Furthermore, MSC does not warrant nor make any representation regarding the results of the customer’s use of MSC EPR in terms of capability, correctness, accuracy, reliability, or otherwise. No oral or written information, representation, or advice given by MSC or by any of its authorized representatives of MSC shall create a warranty.

6. Procedures and Limitations

6.1 Where a Merchant is the Shipper and wishes to subscribe to EPR, said Merchant must declare the total invoice value of the Shipment of Qualified Cargo under the relevant Contract of Carriage for such Qualified Cargo. Pricing, as further set forth in Sections 6.2 and 6.3, will be based on Shipment Value. The EPR Charge will be manifested under MSC’s dedicated Charge code (designated as “EPR”) on the freight manifest. At the booking stage, MSC will require information including place of origin, port of loading, port of discharge, commodity(ies) category, and equipment type. In the event the Merchant wishes to subscribe to EPR after having placed a booking for carriage with MSC, the Merchant will need to provide the booking number and the CIF value of the Qualified Cargo. After the Shipment leaves its place of origin and the Shipment has commenced, the Merchant cannot change its service level and cannot subscribe to EPR.

6.2 For Dry Goods: For any compensation request under MSC EPR for loss or damage to Qualified Cargo (not including

Qualified Cargo in refrigerated Containers) caused by Qualified Causes, or by the Additional Enhancement Causes set forth in Sections 3.2(ii) (Customs damage), 3.2(iv) (Fumigation loss or damage), or 3.2(vi) (General Average contributions), MSC's maximum liability shall be the lesser of: (a) the actual monetary amount of loss or damage to the Qualified Cargo, less any salvage; or (b) the Shipment Value, as declared by the Shipper and identified on the MSC Contract of Carriage. Further, Shipments of Qualified Cargo eligible to be included under MSC EPR must have Shipment Values falling within one of the following 17 tranches on which the MSC Extended Protection Charge will be based as indicated:

6.2.1 Full Container Load (FCL) Cargo:

DRY		
TRANCHE	**SHIPMENT VALUE USD/EUR** CIF Value total shipment + 10% CIF Value	**TARIFF PER SHIPMENT USD/EUR**
1	0 - 15 000	28
2	15 001 - 30 000	58
3	30 001 - 45 000	85
4	45 001 - 60 000	115
5	60 001 - 75 000	150
6	75 001 - 90 000	170
7	90 001 - 100 000	190
8	100 001 - 150 000	235
9	150 001 - 200 000	375
10	200 001 - 250 000	470
11	250 001 - 300 000	570
12	300 001 - 350 000	660
13	350 001 - 400 000	750
14	400 001 - 450 000	850
15	450 001 - 500 000	950
16	500 001 - 550 000	1 050
17	550 001 - 1 000 000	2 000

In the immediately preceding list of tranches 1 through 17, all references to "Shipment" mean the Shipment of Qualified Cargo. Additionally, nothing set forth in the foregoing tranches, or statements of EPR charges for such tranches, shall be applicable in the event that the Merchant requests that MSC EPR be made applicable to any Restricted Cargo.

6.2.2 LCL Cargo Only: USD 1.5 per every USD 100 Shipment Value (CIF + 10%) with USD 25 minimum.[1]

6.3 For Reefer Goods: For any compensation request under MSC EPR for loss or damage to Qualified Cargo (where such Qualified Cargo are in refrigerated containers) caused by Qualified Causes, or by the Additional Enhancement Causes set forth in Sections 3.2 (ii) Customs damage, 3.2 (iv) Fumigation loss or damage, 3.2 (vi) General Average contributions, or

6.4 3.2 (vii) (Reefer temperature variation), MSC's maximum liability shall be the lesser of: (a) the actual monetary amount of loss or damage to the Qualified Cargo, less any salvage; or (b) the Shipment Value, as declared by the Shipper and identified on the MSC Contract of Carriage. Further, Shipments eligible to be included under MSC Extended Protection must have Shipment Values falling within one of the following nine (9) tranches on which the MSC Extended Protection Charge will be based as indicated:

[1] Not available through online subscription - please contact your MSC agent for further information.

REEFER		
TRANCHE	**SHIPMENT VALUE USD/EUR**	**TARIFF PER SHIPMENT USD/EUR**
1	0 - 15 000	39
2	15 001 - 30 000	80
3	30 001 - 40 000	115
4	40 001 - 50 000	130
5	50 001 - 60 000	195
6	60 001 - 70 000	220
7	70 001 - 80 000	250
8	80 001 - 90 000	270
9	90 001 - 100 000	350
10	100 001 - 150 000*	525*
11	150 001 - 200 000*	700*
12	200 001 - 250 000*	875*
13	250 001 - 300 000*	1 050*
14	300 001 - 350 000*	1 225*
15	350 001 - 400 000*	1 400*
16	400 001 - 450 000*	1 575*
17	450 001 - 500 000*	1 750*

* MSC Extended Protection for these tranches is subject to prior approval by MSC and not available through online subscription.

In the immediately preceding list of tranches 1 through 17, all references to “Shipment” mean the Shipment of Qualified Cargo. Additionally, nothing set forth in the foregoing tranches, or statements of EPR Charges for such tranches, shall be applicable in the event that the Merchant requests that MSC EPR be made applicable to any Restricted Cargo.

7. Compensation Process

7.1 Who handles requests: The Merchant's requests for compensation under MSC EPR shall be handled directly with MSC pursuant to, and always subject to, the provisions set forth in Section 7.2.

7.2 What to do in the event of loss or damage: With respect to any compensation requests by the Merchant under MSC EPR, the following provisions shall apply:

(i) **Deadline for giving notice and submitting requests:** The Merchant shall identify, and give notice to MSC, of any apparent loss or damage before or at the time of delivery or, as to loss or damage which is not apparent, within three (3) days immediately following delivery.

(ii) **Deadline/time for inspecting Container and Qualified Goods:** When delivery is made of the Container, the Merchant shall ensure that the Container and its seals or locks are examined immediately. If the Container is delivered damaged, or with seals or locks broken or missing, or with seals or locks other than as stated in the shipping documents, then Merchant shall document the delivery receipt accordingly, stating assumed loss or damage, and retain all defective or irregular seals and locks for subsequent identification.

(iii) **Where loss or damage is apparent:** Where loss or damage to Qualified Cargo is apparent, the Merchant shall, before or at the time of taking delivery of the Qualified Cargo, document the delivery receipt accordingly, stating assumed loss or damage, and retain all packing materials for further inspection. The Merchant shall also take recent

pictures of any damaged packages and items.

(iv) **Where loss or damage is not apparent:** Where loss or damage is not apparent, the Merchant shall, immediately upon discovery of said loss or damage, document the loss or damage and notify MSC with details of the discovery, specifically noting any missing items, and the estimated compensation amount. The Merchant shall not discard packing or damaged items.

(v) **Expert at MSC's cost:** In all events, the Merchant shall immediately notify MSC to schedule and organize a survey of the Qualified Cargo with a qualified valuation expert, to whom the Merchant shall grant access to the Qualified Cargo and to the container for the purpose of surveying it. The qualified valuation expert's fees will be absorbed by MSC for suspected damage above 5,000 USD.

(vi) **Deadlines and documents to support a Qualified Cargo compensation request:** In order to make any request for compensation under EPR, the Merchant shall, in addition to giving timely notice to MSC of loss or damage (as set forth in Section 7.2(i) through Section 7.2(v)), submit to MSC (pursuant to the procedure set forth in Section 7.2(vii)) a full set of documents concerning the compensation request for the Qualified Cargo and the loss or damage.

Such a full set of documents shall include, at least, the following supporting documents:

(a) the MSC Bill of Lading, MSC Sea Waybill, or other contracts of carriage or storage;

(b) the commercial invoice;

(c) the packing list;

(d) a claim cover letter with an itemised breakdown of the claim amount on company letterhead; and

(e) the delivery receipt noting exceptions upon delivery. MSC reserves the right to request additional documents if the situation necessitates that, and the Merchant shall comply with such requests.

(f) The destruction certificate or salvage sale receipt for the allegedly lost or damaged goods.

In no circumstances whatsoever will any request for compensation under EPR be considered by MSC unless the Merchant submits, and MSC receives, such request and all Supporting Documents within thirty (30) days from delivery of the Qualified Cargo or, for Qualified Cargo which is lost, within thirty (30) days from the date when the Qualified Cargo should have been delivered.

(vii) **Where to submit requests**: The Merchant shall submit all requests and supporting documents to EPR.claims@msc.com

7.3 What to do in the event the reported loss or damage does not fall under a cause protected under EPR and in case the Qualified Cargo compensation request is rejected under EPR: In case the Qualified Cargo compensation request is rejected under EPR, by reason of, but not limited to, being an unsupported claim, cause of loss or damage not falling under one of the protected risks, cause of loss or damage being due to one of the non-protected risks or failure to comply with any part of the EPR compensation request process, the Merchant shall submit their compensation request through MSC's ordinary claim channels.

7.4 Where loss or damage to Qualified Cargo exceeds the Protected Value selected under EPR: In case loss or damage to Qualified Cargo exceeds the Protected Value selected under EPR, the compensation request entering EPR scope shall be limited strictly to the Protected Value. Any portion of the loss exceeding the Protected Value shall not be covered under EPR. Merchant retains the right to pursue compensation for the residual loss alone, through MSC's ordinary claims channels, subject to the applicable MSC's Bill of Lading terms and conditions governing the contract of carriage.

8. Conditions, Precedent, Time Bar and Jurisdiction

8.1 Time Bar: As set forth in Section 7.2(vi) above, in no circumstances whatsoever will any request for compensation under EPR be considered by MSC unless the Merchant submits, and MSC receives, such request and all Supporting Documents within thirty (30) days from delivery of the Qualified Cargo or, for Qualified Cargo which is lost, within thirty (30) days from the date when the Qualified Cargo should have been delivered. The Merchant's submission of a compensation request with Supporting Documents within such thirty (30) day period shall be a condition precedent to the commencement of any suit relating to the EPR service. In any event, MSC shall be discharged from all liability whatsoever under these EPR GTC's if suit is not commenced within the shorter of: (a) one (1) year from delivery of Qualified Cargo, or for Qualified Cargo which is

lost, one (1) year from the date when the Qualified Cargo should have been delivered; or (b) the time bar for commencing suit set forth in the MSC Contract of Carriage.

8.2 Jurisdiction: It is hereby expressly agreed that any suit relating to EPR by the Merchant, shall be filed exclusively in the High Court of London and English Law shall exclusively apply, unless the EPR service contracted for hereunder was to or from the United States of America, in which case suit shall be filed exclusively in the United States District Court for the Southern District of New York and United States law shall exclusively apply. In the event that the aforementioned federal court lacks subject matter jurisdiction, then any compensation request relating to EPR shall be filed in a court of general jurisdiction in the State of New York located in the County of New York. The Merchant waives any objection to the personal jurisdiction over the Merchant in the above agreed fora. The Merchant agrees that it shall not institute suit in any court other than as stated in this Section 8.2. The Merchant shall be responsible for MSC's attorney and legal costs for any breach of this Section 8.2.

9. Separability and Variation of Terms, Final Contract

9.1 These GTCs shall be separable and, if any term or provision hereof or any part of any term or provision shall be invalid to any extent, it shall be invalid to that extent, but no further, and such circumstance shall not affect the validity or enforceability of any other term or provision hereof. These GTCs are the final contract between the parties regarding the EPR service and supersede any prior agreement or understanding, whether in writing or verbal, on this subject matter.

ANNEX 1 – RESTRICTED COMMODITIES

Antiques & artwork

Boats/yachts

Breakables

Household goods
& personal effects

Jewellery & watches of value

Shipments requiring refrigeration (fresh commodities and pharmaceuticals)

Used/refurbished merchandise

Scrap

Automobiles & motorcycles
(New-boxed/containerized)

Lumber

Steel/iron & sheets/coil/pipe/rod

Hazardous goods
(Excluding Class 1, 2, 3, and 7)

On-deck Bills of Lading Merchandise

Shipper-owned containers

Commodities prone to condensation

Commodities loaded in flexibags

ANTIQUES & ARTWORK (excluding household goods (HHG) and personal effects (PE)) up to USD 50,000 in Value per Shipment

- EPR offered in case of physical loss or damage from any external cause with a sub-limit as stated above.
- The aforementioned artwork or antiques shall be professionally packed with proof of valuation (i.e., commercial invoice or appraisal).

Shipment Values in excess of USD 50,000 require prior application.

BOATS & YACHTS

- Full EPR applies subject to boats/yachts being carried in standard containers.
- For out-of-gauge shipments, a documented survey inspection may be required during stuffing or prior loading.

BREAKABLES (including Ceramics, Chinaware, Crystal, Glassware, Granite, Marble, Mirrors, Porcelain, Pottery and similar products of a fragile and breakable nature), properly packed for export, (excluding Blocks, Slabs, Windows and Plate Glass)

- EPR offered in case of physical loss or damage from any external cause irrespective of percentage, but excluding damage or loss caused by:
  - War, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power.
  - Capture, seizure, arrest, restraint, or detainment, and the consequences thereof or any attempt threat.
  - Derelict mines, torpedoes, bombs, or other derelict weapons of war.
  - Strikers, locked-out workers, or persons taking part in labour disturbances, riots, or civil commotions.
  - Any terrorist or any person acting maliciously or from a political motive.

BLOCKS & SLABS

- EPR shall only apply in case of cargo damage or loss consequential to vessel stranding, sinking, fire, or collision.

WINDOWS, PLATE GLASS, AND SIMILAR MERCHANDISE, PROPERLY PACKED FOR EXPORT

- EPR shall only apply in case of cargo damage or loss consequential to vessel stranding, sinking, fire, or collision.

HOUSEHOLD GOODS AND PERSONAL EFFECTS in expert packing

- EPR protection will not be offered for jewellery, precious stones, gold, bullion, currency, money, securities, and/or valuable papers.
- Each compensation request in the EPR framework shall be subject to a deductible of three percent (3%) of the total protected value as defined at the time the EPR was subscribed for each Bill of Lading separately insured at a minimum deductible per occurrence of USD 250.
- All household goods and personal effects Shipments must be professionally packed and accompanied by an itemized inventory showing the value per item that needs protection through EPR.

JEWELLERY / WATCHES up to USD 25,000 per Shipment and/or conveyance

EPR protection excludes loss, damage, or expense resulting from theft, pilferage or non-delivery.

Jewellery/watches Shipment Values in excess of USD 25,000 are upon application.

SHIPMENTS REQUIRING REFRIGERATION, properly packed for export and shipped in refrigerated containers or in ship's refrigerated holds.

EPR covers:

- All risks of physical loss or damage from any external cause, **except for loss, damage, or deterioration due to or caused by the lack of, or faulty, refrigeration, in case refrigerated cargo was not stowed in an operating refrigeration *container*.**
- **Only while stowed in refrigeration containers:** loss, damage, or deterioration due to, or caused by derangement, breakdown, or stoppage of refrigeration machinery and/or insulation, provided such derangement, breakdown, or stoppage **continues for not less than twenty-four (24) consecutive hours.**

Conditions:

- Commodities in sound condition at the time of the commencement of risk (at the time of loading in the container).
- Ryan® recorder or similar temperature recording device shall be used in the refrigerated container used to transport the goods benefiting from EPR.

MSC can offer door-to-door protection through EPR for reefer goods if the goods remain in the same refrigerated container during the entire transit.

Fresh commodities (including edible):

Fresh commodities, including but not limited to dairy products, confectionery, chilled meat, fresh fruit and vegetables may benefit from EPR protection, always subject to MSC's prior assessment and written approval.

Loss, damage or deterioration of authorized fresh commodities, resulting from breakdown, stoppage, off-power of equipment and/or insulation, or incorrect temperature setting (under MSC's responsibility) continued for no less than twenty-four (24) consecutive hours, is covered under EPR.

Prior requirements:

- Commodities must be in optimal condition by industry standards at time of stuffing and suited for intended voyage.
- A Ryan® recorder or similar temperature-recording device must be installed inside the container by the Merchant.

Pharmaceutical Products:

Pharmaceutical products loaded in dry or refrigerated containers may benefit from EPR protection, subject to MSC's prior assessment and written approval.

Certain pharmaceutical products, such as vaccines or blood cells remain fully excluded from EPR protection.

USED GOODS

- Full EPR offered but excluding:
  - mechanical and/or electrical and/or electronic derangement unless there is evidence of external damage to the protected item or its packing.
  - loss or damage due to wear, tear, gradual deterioration, climatic, and/or atmospheric conditions, and/or extremes of temperature.
  - breakage, scratching, denting, chipping, staining, and/or cost of repainting, rust, oxidation, and/or discoloration.

SCRAP

- EPR only applies in case of cargo damage or loss consequential to theft, vessel stranding, sinking, fire, or collision.
- However, NO protection whatsoever shall be provided under EPR for the following:
  (a) Bearings, turnings, engine blocks, and/or oil covered scrap.
  (b) Shipments exceeding USD 500,000 per any one conveyance.
  (c) Shipments made on vessels for break-up voyages.

AUTOMOBILES & MOTORCYCLES (NEW-BOXED / CONTAINERIZED)

- Notwithstanding anything contained elsewhere herein to the contrary, EPR full cover will apply from the time of loading into the container through the unloading of the container at destination.
- EPR will not apply if the car/motorcycle is not containerized or while the vehicle is being operated under its own power except for the purposes of positioning, loading, or unloading.

LUMBER

- On-deck lumber Shipments are excluded unless containerized. If containerized, full EPR applies.

STEEL OR IRON SHEETS/COIL/PIPES/RODS

- Full EPR offered but always excluding:

- any loss, damage, or expense as a result of rust, oxidation, and discoloration; and
- bending, twisting, and end damage for Shipments of pipe and coil.

HAZARDOUS GOODS (Excluding Class 1 and 7)

- Full protection will be granted under EPR for hazardous goods but always in conjunction with the IMDG Code and MSC's internal guidelines for shipments of dangerous and critical commodities. Class 1, and 7 are excluded from coverage.

GOODS ON DECK SUBJECT TO AN ON-DECK BILL OF LADING

- EPR shall only apply in case of cargo damage or loss consequential to vessel stranding, sinking, fire, or collision.

SHIPPER-OWNED CONTAINERS (SOC)

- EPR will compensate either on the basis of the Total Loss Debit Note produced by a recognized leasing company, or of the Depreciated Residual Value or of the definitive repair costs supported by an invoice produced by a recognized third-party.

COMMODITIES PRONE TO CONDENSATION

- Full EPR protection applies. In cases where is EPR is combined with an MSC Thermal Liner, additional protection is offered for loss or damage due to condensation, subject to the application of the following:
  - 50,000 USD maximum protected value per container for loss or damage due to condensation;
  - MSC Thermal Liner installed as per MSC's guidelines;
  - No wooden pallets used;
  - Photographic records taken during stuffing to document the MSC Thermal Liner installation and installation of the desiccant bags;
  - Photographic records taken during unstuffing; or
  - Preservation of the cargo documentation (including but not limited to harvesting certificates, quality certificates, certificates of fumigation, survey reports if any).

COMMODITIES LOADED IN FLEXIBAGS

- Full EPR protection applies, including loss or damage due to leakage, provided that the flexibag is supplied, fitted and filled by MSC/MEDLOG or an MSC subcontractor. If any of these conditions are not met, loss or damage due to leakage will be excluded from the EPR protection.

ANNEX 2 – SHIPMENTS TO AND FROM UKRAINE

The MSC Extended Protection solution (“EPR”) will apply to Shipments to and from Odesa. The period of protection starts upon loading onboard the vessel in Odesa and ends upon discharge from the vessel in Odesa.

Except where the clauses in Annex II depart from, extend or modify the General Terms and Conditions (“GTCs”), the GTCs apply.

NON-APPLICATION OF SERVICE

Clause 4.1 Non-applicable causes of loss or damage extend to inland transport within Ukraine, including Crimea and the Luhansk and Donetsk regions.

Under the standard tariff, EPR does not cover war risk at sea for Shipments transiting through, originating from, or destined for areas affected by geopolitical tensions. War risk at sea may be included upon request and subject to MSC's acceptance as an optional extension, under an adapted tariff. Such areas include, but are not limited to, the Southern Red Sea, the Gulf of Aden, the Persian Gulf region, the territorial waters of Ukraine (including Crimea and the Luhansk and Donetsk regions), Israel, Lebanon, and the Palestinian Territories. MSC reserves the right to update or amend this list at any time.