1. DEFINITIONS AND INTERPRETATION

1.1. In this STC, the following words and expressions have the following meanings unless the context otherwise requires:

“Assumptions” the information about CLIENT’s requirements for the provision of the Services, including but not limited to Goods, assumptions or forecasts on volumes and delivery routes.

“CLIENT” the party to which LFL has engaged to render the Services under the Contract.

“Contract” any document and/or undertaking (regardless of whether they are given verbally, in writing or otherwise) which is capable of binding LFL and CLIENT in relation to the provision of the Services. Such document include without limitation, pricing quotations, written / verbal instructions, requests for proposals, purchase orders, letters of intent and at etc. or otherwise as the case may be.

“Force Majeure Event” a) act of God; b) war, insurrection, riot, civil commotion, act or threat of terrorism; c) lightning, earthquake, fire, food, storm, typhoon or severe weather condition; d) theft, malicious damage; e) strike, lockout, industrial dispute (whether affecting the workforce of a Party and/or any other person); f) as a result of a Force Majeure Event, LFL’s inability to obtain essential supplies or materials to carry out the Services; g) change in applicable laws, rules and regulation; h) any other event which under applicable law is defined as force majeure and/or as a fortuitous event; or i) any event or circumstance to the extent it is beyond the reasonable control of the relevant Party

“Goods”/ “Products” property supplied by CLIENT including, but not limited to, goods and/or products together with its packaging, containers, or equipment, in respect of which LFL undertakes to provide the Services.

“Liability” any liability arising out of or in connection with the Contract and/or this STC, whether in contract, tort, bailment, misrepresentation, restitution, under statute or otherwise, including any liability under an indemnity contained in this STC and/or arising from a breach of, or a failure to perform or defect in delivery in performance of, any of a Party’s obligations under this STC, in each case howsoever caused including if caused by negligence or if caused by a deliberate breach by that Party

“Package” a storage unit and/or article designed and used specifically to consolidate Goods for transportation and/or storage under this STC – for clarity, a Package shall be outer most storage unit that is capable of containing a Package while being stored or transported individually but in no way shall a consumer unit ever constitute a Package.

“Service Fee(s)” the relevant fees and/or charges as may be agreed by the Parties which become payable by CLIENT upon LFL rendering the Services.

“Service(s)” the services to be provided by LFL to CLIENT (in respect of the Goods) and as may be stipulated by the Contract

2. SERVICE

2.1. LFL shall provide the Services to CLIENT subject to the terms and conditions of the Contract and this STC.

2.2. Unless by special arrangement and/or otherwise agreed in writing, LFL shall not provide Services in respect of Goods which are dangerous, hazardous, valuable, temperature controlled and/or require any special requirements as to storage and/or handling.

3. SERVICE FEE AND PAYMENT

3.1. CLIENT shall pay LFL the relevant Service Fee for Services rendered by LFL in accordance to the terms of the Contract (if any) and the terms set out in this STC.

3.2. Unless otherwise agreed, LFL shall invoice CLIENT for the Service Fee by email which shall be due payable within 14 days of the date of the invoice.

3.3. Any amounts invoiced by LFL and payable under the Contract and this STC is exclusive of value added taxes (and any other similar or equivalent taxes, duties, fees and levies imposed from time to time by any government or other authority) which will be payable in addition to that amount in the manner and at the rate prescribed by law from time to time.

3.4. If CLIENT fails to make timely payments on any amount payable pursuant to the terms of the Contract and/or this STC as the case may be, CLIENT shall pay LFL interest on that amount at one percent (1%) per month from the due date until the date of payment, such interest to accrue on a daily basis and be compounded monthly. LFL also reserves the right to suspend any and/or all the Services to CLIENT until further notice and with no liability.

4. ASSUMPTIONS

CLIENT warrants that any and all Assumptions provided to LFL by CLIENT will be true and accurate in all respects.

5. PRODUCT RESPONSIBILITY

5.1. Title to the Goods handled by LFL and the ensuing risks of ownership shall, at all times, remain with CLIENT.

5.2. LFL shall be responsible for the Goods only in the following instances:

5.2.1. Upon the confirmation of receipt of the Goods by LFL at its distribution centre;

5.2.2. while the same are stored / handled within said distribution centre; and

5.2.3. as the case may be, while the same are in transit under which LFL is contractually obliged to do so by virtue of the Contract.

5.3. CLIENT therefore has the sole responsibility to procure, maintain and manage its own insurance policy and/or insurance claims pertaining to the Goods to which LFL provides the Services.

6. WARRANTIES

6.1. CLIENT represents, warrants and undertakes that:

6.1.1. it is a corporation duly incorporated, validly existing and in sound financial standing under applicable local laws and it will immediately notify LFL in writing of any events that occur or circumstances that arise which adversely affect, or could adversely affect, any such standing;

6.1.2. it has full capacity and authority to enter into the Contract;

6.1.3. it is the owner of the Goods or, if not the owner, that it has the consent of the owner for all purposes of the Contract;

6.1.4. it has or will obtain, at its expense, all approvals, certifications, registrations, licenses, consents and/or permits from all relevant governmental and/or customs authorities necessary for the purposes of LFL carrying out the Services including but not limited to the manufacture, sale, warehousing and/or distribution of the Goods;

6.1.5. it will not obligate nor instruct LFL to perform in such a way that is in conflict with any law or regulation (or such other applicable laws), and it will comply with all laws, rules and regulations applicable to the Contract and this STC and shall not do or omit to do anything which may cause LFL to breach the same;

6.1.6. it will, prior to handing over the Goods, promptly notify LFL of any such Goods which is of a dangerous or hazardous nature and shall provide all documentation and material handling information to LFL although LFL has the sole discretion to refuse the Service of such Goods;

6.1.7. none of the Goods may cause pollution of the environment or harm to human health, require any official consent or license to handle, transport, process or otherwise deal with and/or carry, and will or any at will time while in LFL’s control constitute hazardous waste.

7. EXCLUSIONS AND LIMITATION OF LIABILITY

7.1. When LFL provides the Services, including but not limited to any obligations to load, handle (including packing and unpacking), stow, carry, keep, care for and discharge Goods, LFL’s liability to CLIENT shall only be bounded if it is established that the loss, damage or delay was caused by gross negligence or wilful or reckless misconduct on the part of LFL, including its directors, officers, employees, servants, agents, contractors and/or sub-contractors. LFL’s liability (if any) shall be subject to clauses 7.2 to 7.7 below and shall benefit LFL, its directors, officers, employees, agents, contractors and sub-contractors which shall apply in the aggregate.

7.2. Exclusion of Liability

7.2.1. LFL shall have no liability whatsoever for claims arising from:

7.2.1.1. a Force Majeure Event(s) as detailed further in clause 9 below; and

7.2.1.2. any cause which LFL could not avoid and the consequences whereof it could not prevent by the exercise of reasonable diligence.

7.2.2. LFL will have no Liability to CLIENT for any:

7.2.2.1. loss of profit, revenue, product, business opportunity, goodwill, reputation, savings, margin (in each case whether direct, indirect or consequential); and

7.2.2.2. loss of use or value of any data or software (whether direct, indirect or consequential); and

7.2.2.3. wasted management, operational or other time (whether direct, indirect or consequential); and

7.2.2.4. any liability of CLIENT to Third Parties (whether direct, indirect or consequential); and

7.2.2.5. indirect, consequential or special loss of any kind.

7.3. Each Party hereby releases the other from liability and waivers its right of recovery for loss or damage caused by fire and extended perils.

7.4. Limitation of Liability

7.4.1. Without prejudice to the exclusions of liability elsewhere in this STC and/or the Contract, the Liability of LFL (if any) shall be limited as follows:

7.4.1.1. in the case of loss / damage / delay / misdirection of Goods (including but not limited to total loss due to irredeemable damage, theft and physical loss due to non-delivery) where LFL acts as a logistics service provider, not exceeding the least of:

7.4.1.1.1. the landed cost of the Goods lost, damaged or misdirected;
7.3.1.2. In the event of an air shipment, said carriage shall be subject to the Warsaw Convention or the Montreal Convention unless such carriage is not “international carriage” as defined by the applicable Conventions; or

7.3.1.2.3. In the event of road carriage, said carriage shall be subject to the CMR Convention, provided always that, LFL’s liability as contractual carrier shall not exceed the limits set out in clause 7.3.1.1 above.

7.3.2. For the avoidance of doubt, the financial limits listed in this clause cannot be used in concurrence with each other in respect of the same Goods for the same event or events arising from a common cause.

7.3.3. Notwithstanding any other provisions of the STC, LFL’s maximum aggregate Liability to CLIENT, in connection with or arising out of the Contract and/or STC as the case may be, shall be limited to USD100,000.00.

7.3.4. Higher compensation may be claimed from LFL only if such arrangement has been separately agreed in writing prior to the provision of Services together with payment of additional fees.

7.4. CLIENT shall release LFL, its employees, agents and subcontractors, from any liability to CLIENT or anyone claiming by it under it, by way of subrogation or otherwise, for all claims for loss or damage in excess of the limit set out in this clause 7.

7.5. The exclusions from, and limitations of, liability set out in this clause 7 will be considered severally. The invalidity or unenforceability of any one sub-clause or clause will not affect the validity or enforceability of any other sub-clause or clause and will not be considered severable from each other.

7.6. Save for the conditions above and/or by mutual agreement of the Parties, all warranties, conditions and terms which may otherwise be implied by applicable local law (whether by statute, common law or otherwise) are excluded from this STC.

8. INDEMNIFICATION

8.1. Notwithstanding any other term of this STC, CLIENT shall indemnify, defend and hold harmless LFL against all direct, indirect and consequential losses, liabilities, damages, costs, expenses, demands that LFL may or will incur or suffer as a result of defending or settling any such actual or threatened claim or proceedings, arising out of or in connection with:

8.1.1. an act or omission of the CLIENT or any person other than LFL acting on their behalf or from whom LFL took the Goods in charge;

8.1.2. LFL or its directors, officers, employees, servants, agents, contractors or sub-contractors complying with the instructions or advice given by or on behalf of CLIENT;

8.1.3. an act or order of any governmental, judicial or other authority;

8.1.4. inherent defects/vice of the Goods and/or the nature of the Goods including but not limited to those that are hazardous and/or dangerous;

8.1.5. the insufficiency or defective condition of the packaging or labelling of the Goods, Packages, containers or Vehicles;

8.1.6. a breach or failure of CLIENT to perform an obligation or warranty under this STC and/or the Contract;

8.1.7. all duties, taxes, levies, duties and outlays of whatsoever nature levied by any authority;

8.1.8. infringing any trademarks or other intellectual property rights in the performance by LFL of the Services; or

8.1.9. the handling, loading, stowage or unloading of the Goods by the CLIENT or any person acting on their behalf.

9. FORCE MAJEURE EVENTS

9.1. LFL shall be excused from the performance of any of its obligations under the Contract together with any resulting Liabilities including without limitation any damage or loss to the Goods as a result to a Force Majeure Event.

9.2. CLIENT shall continue to pay the Service Fee in respect of any Services which are not disrupted by a Force Majeure Event.

10. SUB-CONTRACTING AND ASSIGNMENT

10.1. LFL shall be entitled to sub-contract, transfer or assign any or all of its rights and obligations under the Contract without prior notice to or the prior oral or written consent of CLIENT.

11. LIEN

11.1. LFL shall have a particular and general lien on all Goods and/or documents relating thereto in its possession for all sums of whatsoever kind and nature due at any time from CLIENT and, on giving 28 days’ notice in writing to CLIENT, shall be entitled to sell or dispose of such Goods and/or documents (with or without court order) at the expense of CLIENT.

11.2. LFL shall, without any liability to CLIENT, be entitled to apply the proceeds in or towards the payment of any such sums, and any balance remaining after payment of the sums due (after deduction of the costs of sale or disposal) shall be paid to the CLIENT.

11.3. If the proceeds are insufficient to recover the sums due to LFL in full, LFL shall be entitled to recover the difference from the CLIENT.

12. NOTICE OF LOSS AND TIME BAR

CLIENT undertakes to notify LFL of any breach of the Contract leading to potential claims against LFL, failing which LFL shall be discharged of all Liability for any such breach. CLIENT must also serve proceedings (if any) in respect of such breach and served on LFL, within a period of nine (9) months after the date of notification of a claim for that breach, failing which, CLIENT shall be deemed to have waived its right of recourse against LFL.

13. NOTICES

Any notice and other communication given under or in connection with the Contract or this STC will be in writing, and will be either delivered by hand, sent by registered mail (postage prepaid) to the following address:

LFL Logistics Management Limited
14/F, LiFung Centre, 2 On Ping Street, Siu Lok Yuen, Shatin Hong Kong

14. NO WAIVER

A delay in exercising or failure to exercise a right or remedy under or in connection with the Contract will not constitute a waiver of, or prevent or restrict future exercise of, that or any other right or remedy, nor will the single or partial waiver of any right or remedy prevent or restrict the further exercise of that or any other right or remedy. A waiver of any right, remedy, breach or default will only be valid if it is in writing and signed by the Party giving it and only in the circumstances and for the purpose for which it was given and will not constitute a waiver of any other right, remedy, breach or default.

15. SEVERABILITY

If any term of this STC shall be determined to be invalid, illegal, or unenforceable in any respect by any court of competent jurisdiction, such provision shall be severed and the validity, legality or enforceability of the remainder of this STC shall not be affected or impaired and shall continue in full force and effect as if the STC had been executed with the invalid, illegal or unenforceable provision eliminated.

16. ENTIRETY

The Contract together with this STC constitutes the entire contractual understanding between the Parties and supersedes all prior or contemporaneous terms, oral or written, made between the Parties relating such subject matter.

16.2. The CLIENT in engaging LFL has not relied upon, and it will have no remedy in respect of any misrepresentation, representation or statement which is not expressly set out in this STC.

17. VARIATION

No variation to the Contract will be effective unless it is in writing and signed by a duly authorised representative on behalf of each of the Parties.

18. PRECEDENCE

For their convenience, the Parties may use, from time to time, their standard purchase orders, sales releases, delivery annexes, acknowledgments, invoices and other similar pre-printed forms. In the event of a conflict between this STC and any of these documents that purport to govern the same matters set forth herein, this STC shall prevail.

19. SET-OFF

Save as otherwise expressly provided in this STC or required by law, all payments to be made by CLIENT to LFL will be made in full and without any set-off or any deduction or withholding including on account of any counter-claim.

19.2. LFL will be entitled to set-off any liability which CLIENT or any of its affiliate or subsidiary has to it against any Liability which it has to CLIENT, whether such Liability is present or future, liquidated or unliquidated, under this STC or any other contract or other cause of action.

20. LANGUAGE

The Parties understand the English language and are fully aware of all terms and conditions contained herein. If any translation of this STC is made, the English language version shall prevail to the extent of any conflict.

21. GOVERNING LAW

This STC is governed by the laws of the jurisdiction to which the Services are being provided. Any dispute, controversy or claim arising out of or relating to the Contract and/or this STC shall be settled by arbitration in Singapore. Any arbitration will be conducted by a single arbitrator in accordance with the Arbitration Rules of the Singapore International Arbitration Centre. The language to be used in the proceedings will be English. The decision of the arbitrator will be final and binding on the Parties. The prevailing Party will be entitled to recover all fees and costs incurred in connection with the arbitration, including reasonable attorneys’ fees, at the discretion of the arbitrator. An agreement to arbitrate shall not be construed to prevent either Party from seeking injunctive relief against the other Party from any judicial or administrative authority of competent jurisdiction to enjoin that Party from breaching any provision of this Agreement pending the resolution of a dispute by arbitration.