

US Detention and Demurrage Policies

Links to useful information:

Dispute Handling Process

USA - Hapag-Lloyd Customer Dispute Request

MT Return Sites

North American Operations - US Empty Returns (hapag-lloyd-rnaops.com)

US Demurrage Charges Online Form

USA - Hapag-Lloyd Demurrage Charges Online Form

Hapag-Lloyd detention and demurrage policies:

Rule No. D02.01

Valid From 2022-07-08

FREE TIME AND DEMURRAGE AT CARRIERS US ORIGIN PORT TERMINAL, PRIOR TO LOADING-EXPORT DEMURRAGE

- 1. The Carrier grants the Merchant Free Time for keeping the container on the terminal prior to loading on the vessel. After expiration of the granted Free Time, Demurrage charges will accrue per day and continue to accrue as per the applicable Carrier tariff at the port of loading. Demurrage applies until the earliest of: (i) day the container is loaded aboard the vessel; (ii) the vessel sailing date; or (iii) the day the container is emptied of its contents and the contents are returned to the custody of the Shipper.
 - Subject to applicable law, any Demurrage and / or Storage charges that are accrued, including but not limited to those resulting from delays in customs and/or quarantine, are to be billed for account of the Merchant.
- In the event that Merchant delivers a loaded container to the Carrier, but subsequently requests
 the shipment to be held in the origin port or in a transshipment port, Free Time will run while the
 container is being held and Storage / Demurrage / Detention charges shall accrue upon
 expiration of Free Time.
- 3. Free Time and Demurrage rules apply to shipments transported under Carrier Haulage at origin. If Free Time for the container at Carrier's port and/or inland terminal is exceeded due to Merchant's instructions, all applicable Demurrage charges are for Merchant's account.
- 4. Any cost to maintain the temperature of Temperature Controlled Containers past the allowed Free Time shall be in addition to Demurrage and shall be for the account of the cargo /Merchant.
- 5. Demurrage charges shall not include and shall be in addition to any operational costs incurred by Carrier and/or charges imposed by a terminal including, but not limited to, storage, electricity and any other applicable charges starting from the container's stacking time in the port of loading until the time of the container's loading onto vessel. All such charges shall be for Merchant's account, unless stated otherwise in this tariff. All these charges shall be settled

directly between the terminal and Merchant, unless otherwise specified. Carrier will not advance or absorb any of the charges imposed by the terminal.

Rule No. D02.02

Valid From 2022-07-08

FREE TIME AND DEMURRAGE AT CARRIERS US DESTINATION PORT TERMINAL AFTER DISCHARGE - IMPORT DEMURRAGE

The Carrier grants Free Time for keeping the container on the terminal subsequent to discharging from the vessel.

After expiration of the granted Free Time, Demurrage is charged as per the applicable Carrier tariff at the port of discharge. Subject to applicable law, any Demurrage charges that accrue with respect to cargo moving under carriage haulage or merchant haulage, including but not limited to those resulting from delays in documentation, delayed clearance, acts or omissions of governmental agencies, holds, exams, shortage of trucking power, tri-axle and/or chassis availability, volume surge, consignees delivery or acceptance windows, terminal congestion, vendor/subcontractor failure, or any other causes beyond the control of the Carrier are to be billed for the account of the Merchant.

If Demurrage charges are incurred with respect to cargo moving under carrier haulage due to circumstances beyond Carrier's and / or Merchant's control, the Carrier shall make reasonable efforts to minimize such costs and, in the event Carrier is able to obtain concessions from the operator of the terminal or other facility that result in the assessment of charges that are lower than the Demurrage charges that would have otherwise been applicable hereunder Carrier shall, instead of the Demurrage otherwise applicable hereunder, assess the cargo a Demurrage charge equal to the lower amount the Carrier is assessed by the terminal or other facility.

Rule No. D02.03

Valid From 2022-07-08

CARRIER DEMURRAGE FREETIME, STORAGE AND CHARGES AT INLAND OR RAIL TERMINAL/DESTINATION MOTOR YARD

- Terminal operators and/or operators of inland facilities may establish Free Time that differs from that established by Carrier and may assess storage charges for equipment occupying space on their facilities. These charges may be charged by the facility operator directly to Merchant or passed on to Merchant via Carrier. When applicable, these charges are in addition to any charges for use of Carrier's Equipment, as outlined below.
- 2. When cargo is delivered to destination Rail Yard or destination Motor Yard at intermodal locations, the applicable Free Time from Rail Terminal storage shall be the applicable terminal tariff of the facility used.
- 3. Subject to applicable law, when shipments are held at Carrier's Bill of lading destination interchange point for a period in excess of Free Time pursuant to instructions from Merchant for reasons beyond the control of the Carrier including, but not limited to, delays in compliance with governmental documentation requirements or shortage of trucking power, all Storage charges which may have accrued prior to the removal of the shipment from Carrier's terminal shall be assessed and collected from the consignee or shipper.

- 4. Shipments not removed from Rail terminal within the Free Time period may, at any time thereafter, at the option of Carrier or governmental agency, be placed in public storage at the full risk and expense of Merchant. All storage charges which may have accrued prior to removal from Rail terminal shall be assessed and collected from Merchant. In addition, the Carrier's tariff terms and conditions will be applicable for use of equipment while such equipment is on Rail Terminals/ destination Motor Yard premises.
- 5. In the event that Merchant or its agent instructs Carrier to divert and re-consign the shipment to a port or point, or to a consignee, other than shown on the original bill of lading, change of destination / diversion rules and charges shall apply. All storage charges which may have accrued prior to such instructions shall be assessed and collected from the party who instructs the Carrier.
- 6. In the event that Merchant or its agent requests Carrier to authorize or arrange for storage with the rail terminal on their behalf, they will be assessed an appropriate administrative fee to facilitate such requests.
- 7. For Carrier Haulage Shipments: Carrier shall make a good faith effort to coordinate delivery prior to expiration of free time applicable at any facility where the container is stored while in the custody and control of Carrier prior to delivery. However, in the event that Carrier is unable to execute delivery prior to expiration of free time for reasons beyond Carrier's control, any Demurrage charges that accrue including but not limited to, delays in documentation, delayed clearance, acts or omissions of governmental agencies, holds, exams, shortage of trucking power, tri-axle and/or chassis availability, volume surge, consignees delivery or acceptance windows, terminal congestion, vendor/subcontractor failure, or any other causes beyond the control of the Carrier, are to be billed to Merchant/the cargo to extent permitted by applicable law. If Demurrage charges are incurred with respect to cargo moving under carrier haulage due to circumstances that are beyond Carrier's and / or Merchant's control, the Carrier shall make reasonable efforts to minimize such costs and, in the event Carrier is able to obtain concessions from the operator of the terminal or other facility that result in the assessment of charges that are lower than the Demurrage that would have otherwise been applicable hereunder Carrier shall, instead of the Demurrage otherwise applicable hereunder, assess the cargo a Demurrage charge equal to the lower amount the Carrier is assessed by the terminal or other facility.

Rule No. D03.01

Valid From 2022-07-08

FREE TIME AND DETENTION

- Detention will be charged per day, when a shipper, consignee or his agent is holding a
 container beyond Free Time, full or empty, import or export, when outside a port, rail terminal or
 inland depot or container yard and does not return the container to the location designated by
 the Carrier.
- 2. When a consignee or his agent receives containers, rail trailers, or motor equipment under store-door service at the specified location, the free time for each container, rail trailer, or motor equipment shall be as per Carrier's tariff or, where applicable, as per local authority tariff.

- 3. All containers, rail trailers, and/or other equipment must be returned to the place advised by the Carrier, unless moving under store-door service or otherwise directed by the carrier. The detention charges shall continue to apply until the container is returned to the facility designated by Carrier. Detention can accrue under Merchant Haul, Carrier Haul (Drop and Pick) or Carrier Haul (Waiting time).
- 4. For details of the country specific detention charges please see the Hapag-Lloyd Webpage under "Online Business", "Tariffs" and "Detention and Demurrage."
- 5. Subject to applicable law, when containers are removed from a destination or interchange port for unstuffing or governmental inspections of the cargo, the applicable free time and detention charges to the Merchant shall be as per the local Carrier tariff for Detention.
- 6. The detention charges are to be billed in the currency of the inland place unless specified differently.
- 7. In addition to Detention charges, any possible railway charge for rail-wagon detention will be for account of the Merchant.
- 8. WAITING TIME FEE CARRIER HAULAGE For Door pick up and / or delivery, after expiration of the trucker free waiting time the waiting charges per container, per hour or part thereof will be charged as per the local charges pages located in the online business section.

Rule No.D04

Valid From 2022-07-08

FREE TIME AND DEMURRAGE / DETENTION EXCEPTIONS

- 1. If the terminal, port authority, or facility operator grants the Carrier additional free time when access to the terminal or other facility has been impeded, Carrier will grant the same extension to Merchant.
- 2. Time after receipt of the container which passes due to conditions that are solely within Carrier's control including, but not limited to, when the vessel is cancelled or delayed (hereinafter an "Incident") will not count into the calculation of Free Time, Detention and/or Demurrage.
- 3. The Carrier will absorb Demurrage / Detention from the time of commencement of the Incident (e.g. from the date of the originally scheduled vessel sailing) until the end of the Incident (e.g. until the actual arrival of the vessel).
- 4. Demurrage / Detention charges already accrued before the Incident will not be affected by the Incident and the Merchant shall be liable for these charges. Payment of accrued charges must be received by Carrier prior to release of laden on board Bills of Lading.

Rule No. D05

Valid From 2022-07-08

FREE TIME FOR JAPAN FROM USA AND CANADA

1. Cargo Free Time

- a. Cargo free time will commence of the day when the removal permit is granted by Customs at port of discharge, based on calendar days, excluding bank holidays. In the instance of a single bill of lading quantity arriving on separate vessels, cargo free time shall commence on the day the removal permit is granted by Customs to the vessel which delivers the final lot of the single bill of lading quantity.
- b. One (1) additional day of free time shall be allowed on cargo which requires botanical inspection at port of discharge.
- c. When cargo is discharged at a Japan port other than the bill of lading destination port, two (2) additional calendar days of free time shall be allowed. Cargo free time will commence of the day when complete bill of lading quantity arrives at the destination port named in the bill of lading except for:

"Cargo billed to Tokyo but discharged at Yokohama;

Cargo billed to Yokohama but discharged at Tokyo;

Cargo billed to Osaka but discharged at Kobe;

Cargo billed to Kobe but discharged at Osaka"

Rule No. D06

Valid from: 2022-07-08

DEMURRAGE WAIVER POLICIES

1. Request for a Waiver

When a person (for the purposes hereof, "person" shall include a person or entity) requests a waiver or refund of demurrage charges imposed by or on behalf of Hapag-Lloyd, this dispute or request for a waiver should ("Request") be submitted to USA - Hapag-Lloyd within 30 days after receipt of the invoice containing the demurrage charge in question.

2. Minimum information to be provided with the Request

Any person submitting a waiver request must provide credible evidence (see Cl. 3) that it was unable to pick up the container within free-time, and/ or at times when demurrage is assessed, due to circumstances beyond that person's control.

3. Evidence

a) A person wishing to obtain a waiver or refund of demurrage charges imposed for a specific date (each such date a "Waiver Date"), should explain in writing the circumstances which the person believes justify a waiver and provide reasonable proof of any event so alleged.

- b) The written explanation should be accompanied by written documentation sufficient to enable an impartial evaluator to reasonably conclude that the basis for the justification is legitimate. For example, if the justification is a force majeure-type event, documentation should demonstrate the occurrence of the event and explain its impact on ability of the person requesting the waiver to retrieve the cargo in a timely manner.
- c) In the event the justification is a lack of appointments at the marine terminal in question, or the lack of an opportunity for a dual-move transaction, the evidentiary requirements set forth in Rule D07(3) of this tariff shall apply.
- 4. The dispute will be denied with respect to any day covered by the dispute for which such evidence is not provided.
- 5. Each Request will be reviewed and judged on its own merits based on the facts of that particular case and consistent with the applicable law and regulations. Circumstances in which Hapag-Lloyd, based on the Evidence provided, will consider in good faith granting a waiver include but are not limited to the following:
 - Where an appointment is required for pickup, the Marine terminal operator MTO did not make appointments available, or the MTO cancelled an appointment for pickup
 - Ad hoc closure of MTO operations, as announced by the MTO
 - MTO operational errors (e.g. stacking in rail dock instead of truck)
 - Customs authorities put hold on cargo
 - A Damage to the container which was preventing pickup.
- 6. In making a good faith assessment of the request, Hapag-Lloyd may consider the following:
 - a. Reports from the relevant facility that appointments were reasonably available.
 - b. Reports maintained by Hapag-Lloyd that appointments were reasonably available on the date/time in question.
 - c. Such other factors and evidence as may reasonably bear on the validity of the request.
- 7. Hapag-Lloyd will endeavor to respond to the dispute within thirty (30) days.

Rule No. D07

Valid from: 2022-07-08

DETENTION WAIVER POLICIES

1. Request for a Waiver

When a person (for the purposes hereof, "person" shall include a person or entity) requests a waiver or refund of detention charges imposed by or on behalf of Hapag-Lloyd, this dispute or request for a waiver should ("Request") be submitted to USA - Hapag-Lloyd within 30 days after receipt of the invoice containing the detention charge in question.

2. Minimum information to be provided with the Request:

Any person submitting a waiver request must provide credible evidence that at all locations where Hapag-Lloyd equipment could be returned for all days covered by the dispute:

- a. An appointment was required for a transaction involving only the return of equipment of the size and type at issue or the acceptance of an empty container of the size and type at issue was conditioned upon the pickup of a loaded container from the terminal (a "dualtransaction"); and
- b. For all days covered by the dispute, the motor carrier was (as applicable) unable to secure an appointment or did not have a dual-transaction available.

3. Evidence of Unavailability

For purposes of the foregoing, the following guidance is provided as to proof of unavailability of appointments:

- a. A person wishing to obtain a waiver or refund of detention charges imposed for a specific date (each such date a "Waiver Date") on the grounds that an appointment was not available on the Waiver Date must provide a screenshot of the appointment system(s) of each terminal utilized by Hapag-Lloyd at the relevant port (in the case of equipment returned to the port) or of the appointment system of each inland facility used by Hapag-Lloyd in a particular inland region (in the case of equipment return to such a facility) taken the day prior to the Waiver Date and on the Waiver Date. Such screenshots must be taken between 6:00 a.m.-12:00pm (noon) the day before the Waiver Date and between 6:00a.m. and 9:00 a.m. on the Waiver Date, in the time zone of the applicable terminal.
- b. Screenshots of third-party websites purporting to show unavailability of appointments will be accepted as valid evidence of the information displayed therein provided they meet the following criteria:
 - (1.) The third-party website is in widespread use and is generally recognized as reliable and accurate.
 - (2.) The screenshot(s) shows the entire screen (including URL) and appointment information for all shifts for all Hapag-Lloyd terminals.
 - (3.) The screenshot(s) include an automatically generated date/time stamp or an image of the date and time displayed on screen.
 - (4.) The screenshot(s) submitted documents the basis for the dispute (i.e., lack of appointments, chassis restrictions, dual turn requirements, etc.).
- c. If a screenshot shows an available appointment that the disputing person asserts could not be used by the motor carrier, the dispute must include a description of why the appointment could not be used.
- d. With respect to an inability to perform a dual-transaction, the party submitting the dispute must include a statement from the motor carrier that it attempted in good faith to arrange for a dual-transaction and after reasonable efforts was unable to do so.
- 4. The dispute will be denied with respect to any day covered by the dispute for which such evidence is not provided.
- 5. Hapag-Lloyd will grant such request unless it has conducted an appropriate investigation into the claim and determined in good faith that appointments were reasonably available at the relevant terminal(s) or other facilities on the date(s) in question.

In making such good faith assessment, Hapag-Lloyd may consider the following:

- a. Reports from the relevant facility that appointments were reasonably available.
- b. Reports maintained by Hapag-Lloyd that appointments were reasonably available on the date/time in question.
- c. Such other factors and evidence as may reasonably bear on the validity of the request, including, but not limited to, relevant data relating to equipment return on the Waiver Date.
- 6. Hapag-Lloyd will endeavor to respond to the dispute within thirty (30) days.