

## DOMESTIC FREIGHT

### Terms & Conditions, Limitations of Liability

1. In tendering this shipment, the shipper agrees to these Conditions of Contract of Carriage, which no agent or employee of the parties may alter, and that this shipping document is non-negotiable and has been prepared by the shipper. The shipper certifies and represents to Forwarder that the information inserted on the face of this shipping document is complete and accurate. It is agreed among the parties involved that the conditions of contract of carriage for this shipment are governed by Forwarder's tariffs, available for inspection at Forwarder's offices, and which are hereby incorporated into this contract, and a copy of which will be supplied upon request. NOTE: "Shipper" on this contract means the party from whom the shipment is received, the party who requested the shipment be transported by Forwarder, and party having an interest in the shipment, and any party who acts as an agent for any of the above. Except to the extent of any written contract between shipper and Forwarder, this shipping document supersedes and negates any claimed, alleged or asserted oral or written contract, promise, representation or understanding between the parties with respect to this shipment.
2. In the event that shipment is tendered to Forwarder on a straight bill of lading or any other shipping document, Forwarder's rules and regulations will supersede any rules and regulations contained on the shipping document on which the freight was tendered.
3. Shipper warrants that each package in this shipment is properly and completely described on this shipping document, is properly marked and addressed, is packaged adequately to protect the enclosed goods to insure safe transportation with ordinary care in handling, and except as noted, is in good order and condition. For articles shipped in unenclosed containers, Forwarder shall not be liable for damage/loss unless mishandling and/or loss is evident and is so noted on the delivery receipt at time of delivery. NOTE: A shipment in which delivery is made in exchange for a clear delivery receipt shall be prima facie evidence of having received ordinary care in handling.
4. At time of delivery, the consignee must note on the delivery receipt any exceptions to the shipping containers that would indicate a discrepancy (shortage in the shipment or damage to the containers). The consignee may not inspect the contents of the shipping containers until the consignee signs for the shipment on the delivery receipt. NOTE: Such notations as "subject to inspection" and "subject to recount" are not exceptions. NOTE: A shipment in which delivery is made in exchange for a clear delivery receipt shall be prima facie evidence of having received ordinary care in handling. NOTE: Under no circumstances shall Forwarder be liable for loss and/or damage to external shipping containers of any kind.
5. Forwarder SHALL NOT BE LIABLE IN ANY EVENT FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, INCOME, INTEREST, UTILITY OR LOSS OF MARKET, WHETHER OR NOT Forwarder HAD KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED.
6. Due to the inherent nature of the transportation business, Forwarder does not guarantee pick up, transportation or delivery by a stipulated date or a stipulated time, nor shall Forwarder be liable for the consequences of failure to do so.
7. Overcharge claims must be received in writing by Forwarder within one year after date of acceptance of the shipment by Forwarder. Written notification on all other claims (except concealed loss/damage claims) must be received in writing by Forwarder within 30 days after Forwarder accepted the shipment. Notification of concealed loss/damage claims (i.e., claims for loss or damage discovered by the consignee after delivery and after a clear receipt has been given) must be received in writing by Forwarder within 12 days after delivery, or if perishables, verbally within 48 hours. For damage claims and concealed loss claims, Forwarder must be allowed the privilege to make inspection of the shipment and the container(s) and packaging material(s) at place of delivery. Claims must be perfected within 180 days after delivery or date delivery was intended. No claims will be entertained until all transportation charges have been paid. Claims may not be deducted from transportation charges and no claims may be deducted from any charges owed Forwarder. Legal action to enforce a claim must be brought within one year after the claim has been denied in writing by Forwarder, in whole or in part.
8. Forwarder's liability, in the absence of a higher declared value for carriage, is limited to a maximum of \$50.00 per shipment or \$0.50 per pound, per piece, of cargo lost, damaged, misdelivered or otherwise adversely affected, whichever amount is greater, but in no event shall amount exceed the actual invoice value of the goods. This limitation is subject to provisions as published in Forwarder's governing tariffs in effect at the time of this shipment. Declared values for carriage in excess of \$0.50 per pound, per piece, shall be subject to an excess valuation charge.
9. Unless each piece of the shipment has a declared value stated and is specifically identified on the Forwarder's shipping document at the time of the shipment and is so identified on the delivery receipt as being lost, damaged, destroyed, or otherwise affected at time of delivery, Forwarder shall be liable subject to tariff provisions in effect at the time of the shipment for the "average declared value" of the shipment. The "average declared value" of the shipment shall be determined by first dividing the total declared value of the shipment by the total weight of the shipment. This figure, multiplied by the packaged weight of the piece(s) adversely affected, shall then establish the amount of Forwarder's liability. The total declared value amount must be inserted in the DECLARED VALUE box on the face of this shipping document. Forwarder's liability shall in no event exceed the actual invoice value of the goods adversely affected.

10. In the event of the failure or inability of the consignee to take delivery of the shipment, Forwarder will notify shipper in writing at the address shown on the shipping document and request disposition instructions. If the shipper fails to provide disposition instructions within 30 days after the date of Forwarder's notice, Forwarder will return shipment to the shipper at the shipper's expense. If the shipper fails to accept delivery of a shipment thus returned, Forwarder may, upon 30 days written notice to the shipper, dispose of the shipment at public or private sale and pay itself out of the proceeds to satisfy the transportation charges owing on the shipment. Any sums collected by Forwarder in excess of such transportation charges will be paid to the shipper. No sale or disposal pursuant to this rule will discharge any liability or lien to any greater extent than the proceeds thereof. The shipper and the consignee shall remain liable, jointly and severally, for any deficiency.

11. Forwarder shall not be liable for loss, damage, delay or monetary loss of any type caused by: Acts of God; public authorities acting with actual or apparent authority; strikes; labor disputes; weather; mechanical failures; aircraft failures; civil commotions; acts or omissions of customs or quarantine officials; the nature of the freight or any defects thereof; public enemies; hazards incident to a state of war; acts of terrorism; and by acts, defaults or omissions of the shipper or consignee for failure to observe the terms and conditions of the contract of carriage contained in this shipping document, including but not limited to improper packaging, marking, incomplete/inaccurate shipping instructions and the rules relating to freight not acceptable for transportation of freight acceptable only under certain conditions outlined below.

12. Unless otherwise expressly provided in Forwarder's tariffs and subject to any conditions or restrictions contained therein, the following articles will not be accepted for carriage: any shipment prohibited by law; original works of art, antiques, bonds, coins of any kind, currency, currency equivalents, furs, fur clothing, gems or stones (cut or uncut), industrial diamonds, gold or silver, coined concentrates, jewelry (other than costume jewelry), pearls, precious metals, securities (negotiable), time sensitive written material (e.g., bids, contract proposals, etc.), when the declared value exceeds \$0.50 per pound; household goods and/or personal effects, one-of-a-kind articles or models, prototypes, valuable rugs (i.e., Oriental rugs, Persian rugs) and prints or lithographs when the total declared value of the shipment exceeds \$500.00 or when the declared value exceeds \$0.50 per pound, per piece; and such other articles provided in Forwarder's governing tariffs and/or service guide. Forwarder shall not be liable for any loss, damage, delay, liabilities or penalties resulting from the transportation of any of the foregoing articles, however described or misdescribed in this shipping document, and no employee or agent of Forwarder has any authority to accept for transportation such articles or to waive the limitations herein contained.

13. Forwarder's liability for aggregate losses at any one time at any one place is limited to \$1,000,000.00. For shipments having declared values over \$100,000.00, Forwarder must be given advance notice prior to pick up.

14. Rates and charges for this shipment will be based on actual or dimensional weight, whichever is greater.

15. If this is an International shipment, a) all rules relating to liability as established by the Warsaw Convention shall apply, b) except as otherwise provided in Forwarder's tariffs or conditions of carriage, in carriage to which the Warsaw Convention does not apply, Forwarder's liability shall not exceed U.S. \$20.00 per kilogram or the equivalent of goods lost, damaged or delayed, unless a higher value is declared by the shipper and a supplementary charge paid, c) Forwarder accepts this shipping document as a shipper's letter of instructions with authorization to prepare and sign on shipper's behalf an international shipping document, and d) Forwarder reserves the option to act as agent of the carrier, instead of as a forwarder, in which event the direct carrier's tariffs shall apply to this shipment and e) the shipper may select by inserting on the face of this shipping document cargo coverage based on insurance and/or declared value for carriage.

16. Unless inserted otherwise on the face of this shipping document, the C.O.D. amount of the shipment shall be deemed to be the declared value for carriage amount. This declared value for carriage amount in excess of \$0.50 per pound, per piece, shall be subject to an excess valuation charge.

17. Collect on Delivery (C.O.D.) service is provided under the following conditions: a) shipper must identify the shipment as a C.O.D. shipment by entering the amount to be collected in the "Shipper's C.O.D. Box" on the front of this shipping document, b) shipper must specify the type of payment to be received (e.g. cash, check, money order or cashier's check) in the "Special Services Box" on the front of this shipping document and c) Forwarder and shipper agree that Forwarder does not guarantee nor verify that a check, money order, cashier's check or other such financial instrument is valid or negotiable. All payments are collected at shipper's risk.

18. Unless prior arrangements are made, the acceptance of cash by Forwarder and its agents for payment of freight charges and/or C.O.D. amounts is limited to a maximum of \$2,000.00 per shipment and/or stop. Payment of freight charges and/or C.O.D. amounts in excess of \$2,000.00 must be remitted by cashier's check, certified check, money order, or consignee's check as authorized by the shipper in writing.

19. Forwarder shall have the right to a) substitute alternate carriers or other means of transportation and b) select the routing or deviate from that shown on the face hereof.

20. This shipment is subject to inspection by Forwarder; however, Forwarder is not obligated to perform such inspection.

21. The shipper and the consignee shall be liable jointly and severally for all unpaid charges payable on account of this shipment pursuant to this contract and to pay or indemnify Forwarder for claims, fines, penalties, damages, costs (storage, handling, reconsignment, return of freight to shipper, etc.) or other sums which may be incurred by Forwarder by reason of any violation of this contract or any other default of the shipper or consignee or their agents. Forwarder shall have a lien on any goods shipped for failure to pay charges payable on account of this shipment pursuant to this contract. Forwarder may refuse to

surrender possession of the goods until such charges are paid. Should Forwarder bring legal action for the enforcement of this contract or collection of any sums due and payable under this contract, Forwarder shall be entitled to reasonable attorney fees and costs.

22. All invoices not paid within 30 days of invoice date will be subject to a charge of 1 1/2% per month.

23. Shipper and consignee shall hold Forwarder and its agents harmless for loss/damage/delay or any monetary losses which are a result of auxiliary services including but not limited to local cartage, crating, uncrating, packing, and unpacking which are requested by the shipper or consignee and arranged by Forwarder as a customer service unless such services are actually performed by Forwarder or its agents. Such limitation of liability shall extend to the selection by Forwarder of the providers of the auxiliary services. Auxiliary services are those which are performed prior or subsequent to transportation and which may be billed directly by the provider of the services or by Forwarder. Provider of auxiliary services are contractors for the shipper or consignee and are not agents for Forwarder. Local cartage is the movement of unpackaged/uncrated freight. NOTE: Under no circumstances will the liability of Forwarder for any monetary loss which is a result of any auxiliary services performed by Forwarder or its agents be greater than the liability contained in this contract.

24. Should Forwarder successfully defend itself or any legal actions brought by any party with an interest in this shipment, Forwarder shall be entitled to reasonable attorney fees and costs. NOTE: In lieu of legal actions, any disputed claim not greater than \$15,000.00 is to be settled through binding arbitration submitted to the Transportation Arbitration Board or the American Arbitration Association under its cargo claim arbitration program. An alternative arbitrator is to be selected by Forwarder if the claim is unacceptable for arbitration by both the above arbitrators.

25. Shipments are subject to security controls by carriers and, where appropriate, by government agencies. Copies of shipping documents will be retained until the shipment is delivered.

26. Insurance coverage is based on the Forwarder's open insurance policy in effect on the date of the shipment. Failure to properly complete the INSURANCE OPTION on the face of this shipping document shall void the coverage this option affords. Failure to insert at least the full invoice value of the shipment shall reduce any insurance payment proportionately by the applicable percentage that the shipment was so under-insured. There are exceptions and/or special insuring conditions to the insurance option. Contact Forwarder for details, as the cargo insurance policy is subject to limits, terms and conditions and shall be construed to be a contract directly between the shipper and the insurer.

#### **INDIRECT AIR CARRIER STANDARD SECURITY PROGRAM**

"Cargo items tendered for air transportation are subject to aviation security controls by air carriers and when appropriate, other government regulations. Copies of all relevant shipping documents showing the cargo's consignee, description, and other relevant data will be retained on file until the cargo completes its air transportation."