

Air and Ground World Transport, Inc.-Conditions of Contract

- 1. Definitions:** On this waybill, “we”, “our”, “us” and “AGW” refers to AG World Transport, Inc., and its respective employees, agents and independent contractors. “You”, “your” and “Shipper” refers to the exporter, importer, consignor, shipper, merchant, consignee, owner of the goods, holder of the bill of lading and its/their employees, principles, and agents as well as any other individual or entity with interests in the shipment.
- 2. Agreement to Terms:** By giving us your shipment, you agree, regardless of whether you sign the front of this waybill for yourself and/or as agent for and on behalf of any other party or person having an interest in this shipment, to all terms on this waybill and to any applicable tariff or policy manual, copies of which are available upon request. No agent or employee of any party may alter this agreement. This waybill is non-negotiable whether prepared by the shipper or on the shipper’s behalf by AGW. Shipper further warrants that you are the owner of the goods transported hereunder, or the authorized agent of the owner of the goods.
- 3. Governing Tariffs:** It is mutually agreed that the shipment described herein accepted on the date hereof in apparent good order (except as noted) for carriage as specified herein, subject to our governing tariffs in effect as of the date hereof, said tariffs are available for inspection by the parties hereto and are hereby incorporated into and made part of this contract.
- 4. Liability Limits Domestic:** In consideration of the service level or rates offered, you agree that we will only be liable for damage or loss resulting from our negligence or fault and that our liability is limited to the lesser of the following: (i) the value of the goods actually damaged or lost; (ii) USD \$0.50 per pound (where no value is declared) multiplied by the number of pounds that are actually damaged or lost, but not less than \$50.00 per shipment; or (iii) in the case of a declared value, the declared value of the goods actually damaged or lost or averaged declared value by weight in the absence of declared value per piece. These conditions apply to all claims against us relating to the performance of the contract evidenced by this Non-negotiable waybill, including, but not limited to, whether the claim be founded in contract or in tort. All Claims shall be subject to proof of value, loss or repairs with appropriate documentation or other information requested by us.
- 6. Cash on Delivery (C.O.D.) Shipments:** Shipper must enter the amount of any shipper's C.O.D. on our waybill, which shall be collected subject to additional fees and rules. If no declared value is listed on our waybill, the C.O.D. amount shall be deemed the declared value for carriage and the appropriate valuation charge will be applicable. C.O.D. amounts must be paid to us in cash; cashier's check made out to us, or by the Consignee's check made out to the Shipper if authorized by the Shipper per endorsement on the face of our waybill. Our responsibility, described above, shall be fully satisfied when the funds are deposited in the U.S. Mail or when funds are sent by alternate means as specified by shipper. We are not liable for the validity of the financial instrument tendered by Consignee as payment for the C.O.D. or freight charges.
- 7. Applicable Routing:** You hereby authorize us to use any alternative mode of transport for any reason in order to attempt to meet the service level requested by shipper. Transportation by air of this or any shipment is subject to availability of equipment and the space therein. We shall have the right to (i) substitute alternative carriers or other means of transportation and (ii) select the routing or deviate from that shown on the face hereof or requested in any other means by the shipper. Shipper agrees to a waiver of any Carmack liability and any time for suit provisions to the extent Title 49 USC 14706 applies to this transportation.
- 8. Shipper Responsibility:** The Shipper is responsible for preparing, marking, packing and labeling shipments to ensure safe transportation with ordinary care in handling. Our waybill must be completed with appropriate services specified. Proper indication of hazardous or dangerous goods must be so noted on our waybill, to include the accompaniment of proper documents related to hazardous or dangerous goods.
- 9. Inspection of Shipments:** Shipper agrees we have the right to perform inspection on any merchandise tendered for shipment at any time while in our possession, but shall not be obliged to perform such inspections. Any damaged shipments are subject to inspection by us, but we reserve the right to waive such inspection.
- 10. Exclusions:** We shall not be liable for Loss, Damage or Delay for pick-up, transportation or delivery of any shipment or other result caused by: (i) Acts of God, Perils of the Air, Public Enemies, Public Authorities, acting with actual or apparent authority in the premises, Authority of Law, Quarantine, Riots, Strikes, Civil Commotions, Hazards or Dangers incidental to a State of War or Undeclared War. (ii) The Act of Default of the Shipper or Consignee; (iii) The Nature of the shipment, or any defect, characteristic or inherent vice hereof; (iv) Violation by the Shipper or Consignee of any of the Rules contained in Applicable tariffs, including, but not confined to improper or insufficient packing, securing, marking or addressing, and failure to observe any of the rules relating to shipments not acceptable or acceptable only under certain conditions, nor (v) Compliance with delivery instructions from the Shipper, Consignee, or noncompliance with special instructions from the Shipper or Consignee not authorized by applicable tariffs.

11. Consequential, Incidental, and Special Damages: We shall not be liable for any consequential, incidental, or special damages, including but not limited to loss of income, interest, profits, utilization or market, and transportation costs whether or not we had knowledge that such damages might be incurred.

12. Claim Time Limits and Procedures: All claims, including claims for overcharges, must be made in writing to AGW within a period of nine (9) months after the date of acceptance of the shipment by us. Damage and/or loss discovered by the Consignee after delivery and after a clear receipt has been given us must be reported in writing or via email to us, within seven (7) days after acceptance of the freight with privilege to us to make inspection of the shipment including packing and containers within seven (7) days of receipt of such notice. We shall not be liable on any action brought to enforce a claim nor process a claim unless the above provisions have been met by the proper claimant to include, but not limited to the presentation of all requested information and documentation from the claimant, the payment of the associated freight charges and your account is current within nine (9) months from the date of acceptance of the shipment by AGW. Failure to meet all of the above requirements within this aforementioned time period will time bar the claim and we will not be obligated to pay. Any legal actions must be brought within two (2) years after the date written notice is given to the claimant that we have disallowed the claim in whole or in part.

13. Your Obligations and Acknowledgement: Shipper, Consignee, Owner of Goods or any other individual or entity with interests in said shipment are jointly and severally liable for the payment of freight charges to us. We reserve the right to take possession of any freight when full replacement value has been paid. Claims may not be deducted from transportation or any other charges owed to us. Delivery will be made by us to the consignee at a point where service is available at applicable tariff charges unless instructions to deliver at City or Airport Terminal are specified by Shipper under Special Instructions. Delivery is to ground or dock level, unless different instructions are specified by shipper on our waybill and additional charges paid. Shipper, consignee, owner of the goods or any other individual or entity with interests in said shipment shall be liable, jointly and severally, to pay or indemnify us for all claims, fines, penalties, damages, costs or other sums which may be incurred, suffered or disbursed by us for reason of any violation of any governmental rules or regulations or by any rules contained in applicable tariffs or any other default of the Shipper with respect to a shipment or service performed by us on your behalf. Shipper is required to adhere to all rules and or regulations as set forth by Local, State, and Federal agencies. We are not liable for fines, penalties, seizures, and other actions taken by above-mentioned agencies assessed against us due to your negligence or non-compliance.

14. Lien on Goods: We shall have a lien on any goods shipped or warehoused, for failure to pay any charges due and payable on account including but not limited to freight charges, charges for services, expenses, advances, warehousing, packing charges or money due and payable to us including all lien and collection related costs. We may refuse to surrender possession of goods until such charges on account are paid in full. Shipper agrees that we shall have the right to sell aforementioned goods with ten (10) calendar days written notice is sent via registered mail.

15. Payment of Charges: All waybills are payable to AGW in U.S. Currency. Payment terms are Net 7 days from date of shipment. Notwithstanding the entity or person designated as the party to be billed, Shipper, Consignee and the owner of the goods or any other individual or entity with interests of said shipment, each agree that they are jointly and severally liable to us for transportation or other charges under the terms and conditions stated herein. In event of default, suit for collection or arbitration will be brought for invoice amount or amounts, legal fees, filing fees, cost of collection, interest, plus court costs and attorney's fees and you or the aforementioned parties agree to reimburse us for all costs associated with collection of charges. Invoices not paid to us by you for services rendered will incur 1 & 1/2% interest per month or the maximum amount allowable by law on the unpaid balance.

16. Refused or Attempted Delivery: In the event of the failure or inability of the Consignee to take delivery of the shipment, we will notify Shipper to provide disposition instructions. If the Shipper fails or refuses to provide alternate delivery instructions within thirty (30) days after date of our notice, we reserve the right to return the shipment to the Shipper at Shipper's expense or if Shipper fails to provide disposition, we reserve the option to attempt to satisfy transportation or service charges with sale or disposal of merchandise if Shipper refuses shipment. No sale or disposal pursuant to this will discharge any liability or lien of any greater extent than the proceeds thereof. You or any other individual or entity with interest in said shipment shall remain liable jointly and severally for deficiency.

17. Items not Accepted: We do not accept Antiques containing glass, articles which may endanger aircraft, persons or property, china, glassware and other similar fragile articles, cigarettes, coins of any type, collectable items with a value over \$10,000.00, cotton, eggs, flowers, fresh foods, grandfather clocks, human remains, improperly packed/crated items, jewelry, live animals (other than laboratory animals with preapproval), marble, stone, granite, limestone in any form, architectural models with value over \$5,000.00, negotiable securities, neon signs or bulbs,

currency, plate glass either incorporated in a product or shipped separately, precious gems, precious metals, plasma screen TV's or displays or any material prohibited from transport by any law, regulation, or statute of any country in which the shipment may be carried. Any of the aforementioned items tendered to us are at Shipper's risk and we will assume no liability for any damage during transit.

18. Used Items: We do not protect used items for full value and will not provide new replacement costs for losses or damages and are not liable for rust, oxidation, discoloration, marring, chipping, denting, scratches, and electrical and/or mechanical derangement. Additionally, used items or merchandise of any kind, personal effects, household goods, including artwork, antiques, bagged items, automobiles, and motorcycles will have a deductible of **3%** or **\$250** minimum on the value declared. Personal effects shipments cannot be accepted for air transport on passenger aircraft and must be inventoried by us prior to movement. Automobiles and Motorcycles are subject to a pre-shipment survey to be completed by the shipper or their representative and at their own expense and must be pre-approved by us prior to movement.

19. Invalid Provisions: If any provision of this contract, and any other terms and conditions incorporated by reference are determined to be invalid or unenforceable, the remainder of this contract shall not be affected.

20. Right of Rejection: We reserve the right to reject shipment(s) (i) if shipment(s) would be likely to cause delay or damage to other shipments, equipment or personnel; (ii) or if prohibited by law; (iii) or the shipment(s) would violate any terms of this waybill or our policy manual; (iv) or if the paying party's account is not current.

21. Litigation: You agree that any suit or arbitration will be filed in the court of jurisdiction of San Mateo County, California. Shipper and Consignee agree to reimburse AGW for any costs incurred by us when we are not found liable. We reserve the option, in our sole discretion, to determine any legal liability under this paragraph by initiating binding arbitration under the "Commercial Rules of the American Arbitration Association."