TERMS AND CONDITIONS

1. Carriage is subject to the rate and classifications set forth in the most recent Specialty Freight Service, Inc. Rule and Regulation Tariff, which is available for inspection and incorporated into this contract by reference.

2. In tendering the shipment for carriage, the shipper warrants that the shipment is packaged to protect the enclosed goods and to insure safe transportation with ordinary care in handling, and that each package is appropriately labeled, and is in good order for carriage as specified. Shipper also warrants that the commodity description is explicit and accurate.

3. Transportation of the shipment is subject to availability of equipment and space therein. Forwarder shall have the right to (i) substitute alternate Carriers or other means of transportation; and (ii) select the routing or deviate from that shown on the face hereof. Forwarder does not guarantee commencement or completion of freight shipment within a specified terms unless stated otherwise on billing.

4. For COD shipments, the amount of the COD must be inserted in the COD portion of the Specialty pro. The forwarder will under no circumstances be responsible for the form of payment by consignee unless specifically requested otherwise, in writing, by shipper. Forwarder will not be liable for any fraudulent certified or cashier checks. Applicable charges for handling a COD shipment will be billed.

5. Payment for shipment is due within thirty (30) days of the date of this bill of lading unless contrary payment terms are set forth on the reverse side. Delinquent accounts will be subject to a service fee of up to 2% per month or the highest rate permitted by law, if less, on any unpaid balance. Payee agrees to pay all reasonable expenses, which in no event shall be less that $500.00, associated with any collection proceedings, including Forwarder’s attorney’s fees.

6. The shipper, the consignee and the third party, if applicable, shall be liable, jointly and severally, (i) for all unpaid charges payable on account of a shipment pursuant to this contract, including the costs of collection, and (ii) to pay or indemnity Forwarder for all claims, fines, penalties, damages, costs or other sums which may be incurred by Forwarder by reason of any violation of this contract or any other default.

7. All shipments may, at Forwarder’s option, be opened and inspected.

CARRIER’S LIABILITY

8. In consideration of Carrier’s rate for the transportation of any shipment which is in part dependent upon the declared value of the shipment. Forwarder’s liability of any kind whatsoever shall be limited to the lessor of:

   A) The amount of any damages sustained or
   B) 1.) .50 per pound (where no value is declared) multiplied by the number of pounds of that part of the shipment lost or damaged (but not less that $50.00 per shipment); or
   2.) the declared value in case of loss or damage of the entire shipment (but not less that $50.00 per shipment); and in the event of loss or damage of part of the shipment, the average declared value per pound of the shipment multiplied by the number of pounds of that part of the shipment lost or damaged (but not less than $50.00 per shipment), plus the amount of any transportation charges for which forwarder has been paid for such part of the shipment lost or damaged.

9. Shipper may declare a higher value on the entire shipment in which care an additional transportation on charge as set forth in the Rate Tariff shall be required. For shipments where the Declared Value is $50,000 or greater contact your local Specialty office in advance for authorization.

10. As to the shipment herein described, the forwarder shall not be liable for any loss or damage thereto or delay caused by an act of God, the public enemy the authority of law, the act or default of the shipper, the inherent nature or vice of the shipment, or compliance or noncompliance with delivery or special instructions.

11. Forwarder shall not be liable for special or consequential damages of any kind.

12. The liability of forwarder will be that of a warehouseman if the shipment is not picked up by the consignee within 48 hours after notice of its arrival is given to the consignee. In such event, Forwarder will hold the shipment subject to storage charges with the right to sell the shipment at public or private sale not less than 30 days after having given written notice thereof to the shipper. Forwarder will pay itself out of the net proceeds of the sale for all charges due it and remit the balance to the shipper.

13. As conditions precedent to recovery, (i) claims for loss or damage must be filed in writing with Forwarder 180 days after the date of acceptance of the shipment by Specialty Freight Services, Inc.; and (ii) claims for overcharges or duplicate billings must be filed in writing with Forwarder within 180 days after the date of acceptance of the shipment by the consignee. No claim for loss or damage will be entertained until all transportation charges have been paid. All claims must be filed by the billable party of the freight charges.

14. As a condition precedent to recovery any damage or loss discovered after a clear receipts has been given to the Forwarder must be reported in writing to Forwarder at the corporate office address with 12 days after delivery to the consignee, with privilege to Forwarder to inspect the container(s) and contents within 15 days after receipt of such notice. Merchandise must be retained in original container/box.

15. Forwarder shall not be liable unless an action is brought within one (1) year after the date written notice is given to the claimant that Forwarder has disallowed the claim in whole or in part.

16. International air carriage is subject to the rules relating to the liability established by the Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, October 12, 1929.