

## CONDITIONS OF CONTRACT

1. Carriage and other services performed hereunder are subject to these conditions and to the rates, rules and classification set forth in the forwarder's currently effective tariffs, which are available for inspection and are Non-Negotiable, which no agent or employee of the parties may alter, and that this airbill has been prepared by him or on his behalf by the carrier.
  2. As used in this contract "forwarder" means Guardian Logistics, Inc. And its authorized agents. All remittance under this contract are to be made to Guardian Logistics, Inc. at PO Box 374, Addison, Illinois, 60101-0374. Unpaid balances older then 45 days from the invoice date are subject to finance charge of 2% monthly after.
  3. 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.
  4. All shipments may at Forwarder's or agent's option, be opened and inspected. Forwarder has the right of refusal for improper packaging, shipment will be tendered back to the shipper.
  5. Forwarder shall not be liable for any loss, damage, delay, misdelivery, non-delivery or other result not caused by its one negligence in any event. Forwarder shall not be liable for (a) acts of God, public enemies, public authorities acting with actual or apparent authority, authority of law, quarantine, riots, strikes civil commotions, of hazards or dangers incident to a state of war; (b) the act or default of the shipper or consignee, including any breach of warranty set forth in Paragraph 3 above; (c) the nature of the shipment or any defect, characteristic or inherent vice thereof; (d) violation by the shipper or consignee of any of these conditions of contract; and (e) compliance or non-compliance with delivery or special instructions.
  6. Forwarder shall not be liable for special or consequential damages.
  7. In consideration of Forwarder's rate for the transportation of any shipment which is in part dependent upon the value of the shipment, the shipper and all other parties having any interest in the shipment agree that the limit of Forwarder's liability shall be the lesser of: (a) The amount of any damages actually sustained: or (b) whichever of the following is greater.
    1. the shipper's declared value started on the face hereof or,
    2. 70 cents per pound multiplied by the weight of that portion that was the damage portion of any article damaged. Unless a different amount is specified by the shipper, the declared value of a C.O.D. shipment shall be deemed to be the C. O. D. amount. On international shipments, the liability rules under the Warsaw Convention shall apply, limiting liability in most cases to \$9.07 per pound unless higher valuation is declared and charges paid thereon.
- In the case of the 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 portion of the shipment which may have been paid for such portion of the shipment which may have been lost or damaged (but not less that \$50.00 per shipment, plus the amount of any transportation charges for which carrier has been paid for such portion of the shipment that may have been lost or damaged. The average value per pound of a shipment shall be determined by dividing the declared value of the shipment by the chargeable weight of the shipment.
8. In the case of the 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 portion of the shipment which may have been lost or damaged (but not less that \$50.00 per shipment plus the amount of any transportation charges for which carrier has been paid for such portion of the shipment that may have been lost or damaged. The average value per pound of a shipment shall be determined by dividing the declared value of the shipment by the chargeable weight of the shipment.
  9. The shipper and the consignee shall be liable, jointly and severally: (a) for all unpaid charges payable on account of a shipment pursuant to this contract, and (b) to pay or indemnify forwarder for all claims, fines, penalties, damages, legal expenses, costs 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.
  10. Forwarder shall have a lien on the shipment for all sums due and payable to the Forwarder.
  11. 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 air bill and request disposition instructions. If the shipper fails to provide disposition instructions within 30 days after the date of the Forwarder's notice, forwarder will return shipment to the shipper at the

shipper's expense. If the shipper fails to accept delivery of the shipment thus returned, Forwarder may, upon 30 days written notice to the shipper, dispose of the shipment at public or private sale and pay 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 shipper. No sale or disposal pursuant to this paragraph will discharge any liability or lien to any greater extent than the proceeds thereof. The shipper and consignee shall remain liable, jointly and severally, for deficiency.

12. Forwarder will exercise due diligence in routing shipment. In the absence of specific contrary instruction by the shipper on the air bill, forwarder may divert any shipment to surface transportation in order to expedite its movement. Regardless of the method of transportation employed, the forwarder's air freight charges from origin to destination will apply.
13. Claims for loss or damage discovered by the consignee after delivery and after a clear receipt has been given to Forwarder must be reported in writing to Forwarder within 7 days after delivery of the shipment with privilege to forwarder to inspect the shipment, and its container (s) and packing material within 7 days after delivery of the shipment with privilege to forwarder to inspect the shipment, and its container (s) and packing material within 7 days after receipt of such notice. ON shipments to Canada and Puerto Rico, claims must be reported in writing within 4 days after delivery.
14. Other than as set forth in paragraph 13 of this contract, claims for loss, damage, or delay must be made in writing within a period of 30 days after the date of acceptance of the shipment by the Forwarder. On shipment to Puerto Rico and Canada, claims must be made within 120 days.
15. No claims with respect to a shipment, any part of which is received by the consignee, will be entertained until all transportation charges have been paid.
16. Claims for overcharges or duplicate billings must be made in writing within a period of 3 months after the date of acceptance of shipment by Forwarder.
17. Forwarder shall not be liable in any action unless a claim has been filed and such action is brought within 3 months after the date of acceptance of shipment by Forwarder.
18. International air carriage is subject to the rules relating to liability established by the convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw October 12, 1929.
19. To the extent that it is not governed by Federal law, this Contract and the tariffs incorporated by reference shall be construed and the performance of the transportation here under shall be determined in accordance with the laws of the State in which the shipment is accepted by the Forwarder. If any provision of this contract including the tariffs incorporated by reference is determined to be invalid or unenforceable the remainder of this contract shall not be affected thereby.
20. Forwarder acts as self-insurer for liability amounts below one hundred dollars, and maintains insurance liability in excess thereof.
21. Shipper Collect charges collected by the forwarder on shipper's behalf will be advanced to shipper only after a minimum of ten banking days after receipt by the Forwarder have passed.

If Guardian Logistics, Inc. has not received full payment of all charges within a period not to exceed 45 days. Beginning on the latter of the date of delivery of the date on which the invoice (freight bill) is presented, Guardian Logistics, Inc. may at its sole option, retain and attorney, file suit, demand arbitration or take any other action to collect its freight charges, and, in the event, any party responsible for payment of the freight charges will be invoiced and will be responsible for payment of attorneys' fees, court costs, expert witness fees, and any other costs, fees and expenses incurred by Guardian Logistics, Inc. in connection with the collection of the amount due.