



## **JAG Logistics Service Conditions for Transportation Services**

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Capitalized terms shall have the meanings provided in the Contract of Carriage (“Contract”) or as set forth herein. This document sets forth the service conditions for JAG Logistics Transportation Services and is expressly incorporated in and made a part of the applicable Contract.

When tendering a shipment for delivery, the Shipper and Consignee as identified on the face of the Contract agree to these Service Conditions (“Service Conditions”) These Service Conditions shall apply unless otherwise required by law, rule or regulation applicable to the shipment.

No employee or agent of JAG Logistics, other than a corporate officer, is authorized to change or modify these Service Conditions. If there is a conflict between these Service Conditions and the terms and conditions on the Contract, the Contract shall control. These Service Conditions supersede all previous statements concerning the conditions of the JAG Logistics service to which they apply. These Service Conditions have been drawn up in the English Language at the express request of the parties hereto. Les parties aux pre’sentes on expresse’mment requis que la pre’sente convention soit r’edig’ee en langue anglaise.

As used herein, the words, “our”, “we” and “us” shall refer to JAG Logistics.

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### **I. Address Correction**

- A. In the event a Consignee’s address or ZIP/Postal code is found to be incorrect, we will attempt to determine the correct address and complete the delivery as expeditiously as possible, be we assume no responsibility for any inability to complete delivery under such circumstances. Any handling fee for this address correction service will be set forth in JAG Logistics Transportation Customer Specific Rules Tariff (“Rules Tariff”). If the correct address cannot be determined and if the Consignee cannot be reached, the Shipper will be contacted for address clarification or instructions for the return of the shipment. (See item XIII NOTICE AND DISPOSITION OF PROPERTY.)
- B. U.S. Postal Regulations preclude delivery of shipments to P.O. Box addresses, P.O. Box ZIP/Postal codes or APO boxes. Therefore, any shipment addressed to P.O. Box addresses, P.O. Box ZIP/Postal codes or APO boxes will be considered an incorrect address.

## **II. The Contract**

- A. The Shipper shall have the duty to prepare and present a current version of our Contract for each shipment. Customers shipping documents will be accepted as originating documentation, however, all terms and conditions set forth in our Contract, these Service Conditions and the Rules Tariff will apply as though the Contract document was actually used. Notwithstanding who prepared the Contract or other originating documentation, it shall conclusively be deemed to have been prepared by the Shipper.
- B. The Contract and any other shipping documents shall be non-negotiable.
- C. Each shipment shall be subject to the Contract, these Service Conditions and Rules Tariff in effect on the day of acceptance of the shipment, and the Contract shall be binding upon the Shipper, the Consignee and any other party with an interest in the shipment and us.
- D. If requested, we will provide the Shipper with a copy of the Contract, or other originating documentation on which the shipment was tendered to us. Unless otherwise noted in the Rules Tariff, a charge per copy of \$10.00 may be assessed for this service.
- E. The contents, the dimensions and weight and the number of pieces included in the shipment must be accurately described on the Contract. If omitted or entered incorrectly, we reserve the right to count, measure and/or weigh the shipment and apply appropriate density and oversize shipment surcharges or return the shipment at Shipper's cost.
- F. A contact name and phone number for the Shipper must be legibly written on the Contract.
- G. Omission of the service level on the Contract will default to Next Day, or actual service provided.
- H. It is the Shipper's responsibility to identify and properly tender any shipment containing dangerous goods. Shipper cannot delegate this responsibility, including the obligation to strictly comply with applicable laws, to JAG Logistics. If the commodity being shipped is not dangerous Goods, but could be confused as such, the Shipper should place the words "NOT RESTRICTED" on the Contract under Special Instructions to indicate that the shipment has been reviewed against the appropriate dangerous goods and/or hazardous materials regulations.

## **III. Applications of Charges**

- A. If a service requested on the Contract is to a ZIP/Postal code where that level of service is not available in our Service Guide, we will attempt the service requested. However, failure to provide such level of service will not affect the applicable charges. The charges will be assessed on the basis of the service level requested on the Contract at the rates on the day of acceptance of the shipment. Any and all Extended Area, Pick-up and Delivery Charges as specified in the Rules Tariff will apply.
- B. In computing charges, monetary fractions will be rounded to the next higher cent.
- C. Fractions of a weight or measure will be assessed at the charge to the next higher cent.

- D. Unless otherwise specified in writing, rate quotes are only valid for 24 hours. Rate and service quotations will be based upon information provided by Shipper, but final rates and service may vary based upon the shipment actually tendered. The Shipper must indicate the rate confirmation number on the Contract, if any.
- E. We reserve the right to audit shipments and information provided to us concerning shipments to verify service selection and package or shipment weight. If the service selected, weight or other information is incorrect, we reserve the right to make appropriate adjustments to the invoice at any time.

#### **IV. Charges Prepaid, Collect or Third Party**

- A. Upon acceptance by JAG Logistics, shipments will be accepted either with the charges to be prepaid by the Shipper (Prepaid shipment or bill to Shipper) or to be collected from the Consignee (collect shipment or bill to Consignee) or, when requested by the Shipper or the Consignee, to be billed to a third party. If the third party should refuse payment for any reason, liability for payment shall revert to the Shipper and/or whoever requested third party billing. When the form of payment is not marked on the Contract, the shipment will be assumed to be prepaid and Shipper will be billed for all charges. The Shipper and Consignee shall be liable jointly and severally for all unpaid charges payable on account of a collect shipment.
- B. The "type of billing" for shipments cannot be changed once the shipment is tendered to JAG Logistics unless the request is accompanied by a written guarantee from the new payor and agreed upon in writing by an authorized representative of JAG Logistics. In addition, all requests for changes in type of billing after delivery must be accompanied by a guarantee of payment by the new payor and must be approved in writing by an authorized representative of JAG Logistics. An additional charge of \$25.00 per Contract for this change may be assessed. Changes in billing will not result in a reduction of the rate.
- C. The following shipments must be prepaid by the Shipper, regardless of the payment type checking on the Contract:
  - 1. Shipments addressed to United States Government Agencies, unless shipped on a Government Bill of Lading.
  - 2. Shipments addressed to any person and/or organization in care of another person and/or organization.
  - 3. Shipments of samples.
  - 4. Shipments destined to exhibition grounds, parks, fairs or similar enclosures.
  - 5. Shipments addressed to hotel guests.
  - 6. Shipments addressed to or from political organizations.

## **V. Claims Procedure**

### **A. Claims Filing Timelines**

1. At time of delivery, the Consignee must note on the delivery receipt any exceptions to the good order and condition of the shipment that would indicate a discrepancy (Shortage in the shipment, damage to the package(s), or possible damage to the contents). The Consignee may not inspect the contents of the packages until the consignee signs for the shipment on the delivery receipt. NOTE: Such notations as “subject to inspection” and “subject to count” are not valid exceptions. Failure to note exceptions at time of delivery on the delivery receipt shall be prima facie evidence of delivery in good order and condition.
2. We must be notified in writing of any loss or damage to the shipment no later than 14 days after the date of delivery, except in the case of concealed loss or damage, for which no exception is taken on the Contract, we must be notified verbally within 48 hours of delivery. In the event of a notice of claim, we are entitled to inspect the shipment and any materials used to package or protect the shipment for transportation at the place of delivery. A timely notice of claim is a prerequisite to the institution of suit. The failure to give timely notice of any loss or damage or the failure to permit or arrange inspection as required herein shall constitute a bar to any claim for loss or damage.
3. Notwithstanding the foregoing, if a shipment involves transportation whereby the shipment is tendered to a subcontracted motor carrier operating in Mexico, Customers wishing to file a claim for any loss or damage to the shipment must provide notification to us in writing within 12 hours from the time of delivery of the goods.
4. A formal claim for loss or damage must be received in writing by us no later than 120 days after the date of delivery (60 days for shipments originating in Canada), at the following address:

JAG Logistics  
406 Amapola Avenue  
Torrance, CA 90501
- Such claims must include copies of the Contract, delivery receipt, invoice and any other documents supporting the claim.
5. No claim will be considered until all transportation charges have been paid. Claims may not be deducted from transportation charges.
6. In the event we pay a claim, we shall be entitled to possession of the portion of the shipment for which claim was made as salvage. The failure to provide the salvage shall be a bar to recovery of any claim.
7. Claims for overcharges must be received in writing by us, at the JAG Logistics office that issued the invoice, no later than 6 months after the date of delivery.
8. Suit to recover for any loss, damage or overcharge must be instituted within one year from the date the claim has been denied in writing, in whole or in part, by JAG

9. Logistics (9 Months from the date of shipment in Canada and 6 (six) months from the date of shipment in Mexico).

## VI. Dangerous Goods

- A. Shipper warrants that if the shipment contains hazardous materials and/or dangerous goods, as hereafter defined, the Shipper shall have the responsibility to so state on the Contract and, if required by applicable regulations, shall also submit a signed Shipper's Declaration for Dangerous Goods.
- B. Hazardous Materials and/or dangerous goods means those commodities that are transported in accordance with the provisions set forth in:
  1. Title 49 of the U.S. Code of Federal Regulations ("CFR"), revisions thereto or reissues thereof;
  2. The "Dangerous Goods Regulations" published by the International Air Transport Association ("IATA"), revisions thereto or reissues thereof;
  3. The "Technical Instructions for the Safe Transport of Dangerous Goods by Air" published by the International Civil Aviation Organization ("ICAO"), revisions thereto or reissues thereof.
  4. The "International Maritime Dangerous Goods Code," published by the International Maritime Organization ("IMO"), revisions thereto or reissues thereof.
  5. The Transportation of Dangerous Goods Regulations issued by the Government of Canada.
- C. Any Hazardous materials and/or dangerous goods shipments must be approved by an authorized representative of JAG Logistics and all such shipments must have a valid rate confirmation number valid for hazardous materials and/or dangerous goods shipments. Regardless of the following guidelines, JAG Logistics reserves the right to decline any shipment of hazardous materials and/or dangerous goods.
  1. The following hazardous materials and/or dangerous goods are accepted, per the notes above, for transport by JAG Logistics:

<u>Class or Division</u>	<u>Limitations/Restrictions</u>
1.1, 1.2, 1.3, 1.4, 1.5, 1.6	1.4s accepted only
2.1, 2.2, 2.3	Subject to approval
3	PG II and III accepted, PG I subject to approval
4.1, 4.2, 4.3	PG II and III accepted, PG I subject to approval
5.1	PG II and III accepted, PG I subject to approval
5.2	PG II and III accepted, PG I subject to approval
6.1	PG II and III accepted, PG I subject to approval

7	Subject to approval
8	PG II and III accepted, PG I subject to approval
9	Accepted.

2. Any hazardous material accepted for air transportation must be in accordance with requirements of the ICAO technical instructions.

- D. The shipper agrees to tender commodities classified as hazardous materials and/or dangerous goods in accordance with current 49 CFR regulations, ICAO Technical Instructions, THE IMDG Code, The Transportation of Dangerous Goods Regulations issued by the Government of Canada (TDG) or the applicable regulations (as described in Sections VI.B.7 and VI.B.8 above) issued by the Government of the Peoples Republic of China.
- E. Shipments containing hazardous materials and/or dangerous goods will be assessed a charge of \$50.00 per UN number in addition to all other charges applicable.
- F. For shipments within North America, shipments are rated at the hazardous materials and/or dangerous goods rate plus the airline surcharge for each UN number. All dangerous goods rates must be pre-arranged prior to tendering.
- G. Diagnostic specimens are only accepted when packaging meets IATA regulations.
- H. If the commodity being shipped does not consist of dangerous goods but could be confused as such, the Shipper should place the words "NOT RESTRICTED" in the Special Instructions section on the face of the Contract to indicate that the shipment has been reviewed against the appropriate regulations.
- I. Shipments containing hazardous materials and/or dangerous goods may be delayed and any such delay shall be at Shipper's risk.

## **VII. Inspection of Shipments**

- A. Cargo items tendered for air transportation are subject to aviation security controls by air carriers and other government regulations. Copies of all relevant shipping documents showing the cargo's consignee, consignor description and other relevant data will be retained on file until the cargo completes its air transportation.
- B. Without otherwise altering or affecting any of the rights, obligations and duties hereunder, JAG Logistics at its sole discretion may open and inspect any package or container, and the contents thereof, tendered for shipment hereunder, consistent with JAG Logistics internal policies and/or applicable law or regulation and as may be necessary to further the purposes of the Contract.
- C. Shipper hereby consents to a search or inspection of the cargo pursuant to 49 C.F.R. S 1548.9 (b) or applicable laws and regulations.

## **VIII. Liabilities Not Assumed**

- A. We shall not be liable for any delay, loss, damage, mis-delivery or non delivery caused by:
  1. The act, default or omission of the shipper, consignee or any other party claiming an interest in the shipment.

2. The nature of the shipments, defect or inherent vice of the product.
  3. Failure of the shipper or consignee to observe any term contained in this document, including but not limited to improper or insufficient packaging, securing, addressing or marking of any shipment or the shipper's failure to follow any term related to shipments that are acceptable for transport.
  4. Acts of God, weather conditions, mechanical delay or aircraft or other equipment failures, environmental or dangerous goods incident, perils of the air, public enemies, public authorities acting with actual or apparent authority, acts or omissions of customs officials, Authority of law, Quarantine, Riots, strikes, civil commotions or hazards incident to a state of war.
  5. Acts of omissions of any person other than us. including delivery instructions from the shipper or consignee that were complied with by us.
  6. Compliance with laws, Governmental regulations, orders or requirements, or any cause beyond our control.
- B. We will not be responsible for contributory negligence on the part of the Shipper, Consignee or third party. We make no warranties, express or implied.
- C. Shipper is responsible for and warrants its compliance with all applicable laws, rules and regulations, including but not limited to, customs laws, import and export laws, and government regulations of any country to, from , through or over which its shipment may be carried. Shipper agrees to furnish such information and complete and attach to the Contract such documents as are necessary to comply with such laws, rules and regulations. We assume no liability to Shipper or any other person for any loss or expense due to Shipper's failure to comply with this provision.
- D. If Shipper does not complete all the documents required for carriage, or if the documents Shipper submits are not appropriate for the service or destination requested, Shipper hereby instructs us, where permitted by law, to complete, correct or replace the documents for Shipper at Shipper's expense. However, we are not obligated to do so. If a substitute form of contract is needed to complete delivery of the shipment, and we complete that document, the Service Conditions of the Contract will govern. We are not liable to Shipper or any other person for our actions on Shipper's behalf under this provision.
- E. Liability shall in no event exceed that set forth in the Limitations of Liability provisions contained herein.

## **IX. Liability for Charges and Indemnification**

- A. The Shipper and Consignee shall be liable, jointly and separately, for all unpaid charges payable on account of a shipment, including but not confined to transportation charges and all duties, customs assessments, government penalties and fines, taxes, and our attorney fees and legal costs related to the shipment, and such other sums advanced or disbursed by us on account of such shipment.

- B. The Shipper and Consignee shall be liable, jointly and separately, to pay or indemnify and hold us harmless for all claims, fines, penalties, damages, costs or other sums that may be incurred, suffered or disbursed for any violation of any of the Service Conditions contained herein or any other default of the Shipper or such other party with respect to a shipment.

**X. Liens on Shipments**

- A. JAG Logistics shall have and Shipper hereby grants a continuous, unrestricted lien and security interest on any and all property (including Goods and documents relating thereto), now or hereafter in the care, custody or control of future indebtedness of Shipper to JAG Logistics, including claims for charges, expenses or advances incurred by JAG Logistics in connection with any shipments or transactions of Shipper. This lien and security interest shall be in addition to any other rights JAG Logistics has or may acquire under other agreements and or applicable law and shall survive delivery or release of any property. If any charges due JAG Logistics from Shipper remain outstanding for thirty (30) days or longer,
- B. JAG Logistics may elect in its sole discretion, at Public Auction or private sale. Shipper hereby waives any other provision of law to the contrary. The proceeds from such shall be applied to any amounts due JAG Logistics. Shipper shall be liable for any deficiency from such sale.

**XI. Limitations of Liability**

The Shipper and Consignee agree that JAG Logistics shall in no event be liable for any loss, damage, expense or delay to the goods resulting from the negligence or other fault of JAG Logistics for any amount in excess of the limitation set forth on the Contract.

**XII. Shipping Day Defined**

For the purpose of calculating the delivery day of our various service offerings. Monday through Friday are considered to be normal business shipping and delivery days. For example, Next Day shipments tendered to us on Monday through Thursday will be delivered the next business day, except for holidays. For Next Day shipments received on Friday, the next business day is Monday, except for Holidays. For Next Day shipments received by JAG Logistics on Saturday or Sunday, the next business day is Tuesday, except for holidays.

**XIII. Notice and Disposition of Property**

- A. If at the expiration of free storage time provided herein a shipment containing non-perishable property is unclaimed or delivery cannot be accomplished, JAG Logistics will notify the Shipper and/or Consignee by mail at the address shown on the Contract. Upon



- B. written instructions from the Shipper, unless prohibited by applicable regulations, JAG Logistics will return the shipment, forward or re-consign it, or otherwise dispose of it at the Shipper's expense in accordance with any instructions given to JAG Logistics. If no instructions are received within 30 calendar days from the date of such notice, JAG Logistics may dispose of the shipment, or any part thereof, at public or private sale as determined by JAG Logistics without further notice to the Shipper and Consignee. If notice is required by law, Shipper agrees that 10 day notice is fair and reasonable. If Shipper's special instructions on the face of the Contract cannot be reasonably complied with, or are not given, JAG Logistics will determine the routing or disposition of the shipment without further notice.
- C. JAG Logistics cannot be held responsible for notifying the Shipper or Consignee when a shipment containing perishable property is delayed, threatened with deterioration, unclaimed or delivery cannot be effected, instructions for any emergency notification, including the name, telephone number, and/or address of the party to be notified, shall be given on the Contract. If such instructions are not given, or if after a reasonable attempt to comply therewith we do not promptly receive further instructions concerning the disposition of the shipment, we will take steps as required for the protection of all parties in interest, including rerouting the shipment by other means of transportation or disposal of the shipment at public or private sales, without further notice to the Shipper or Consignee.
- D. Daily storage charges will be assessed after free-time has expired at the following rates:
  - a. Non-perishable items: \$5.00 per carton per day
  - b. Perishable items: \$10.00 per carton
- E. No sale or disposal pursuant to this provision shall discharge any liability or lien to any greater extent than the proceeds thereof, less selling expenses, if any, and the Shipper and Consignee shall remain liable, jointly and severally, for any deficiency.

#### **XIV. Packing and Marking Requirements**

- A. Shipments must be prepared or packed to ensure safe transportation with ordinary care in handling.
- B. Any article susceptible to damage by ordinary handling must be adequately protected by proper packing and must be marked or bear appropriate labels.
- C. Any article susceptible to damage as a result of any condition which could be encountered in transportation – such as high vibration, high or low temperature variations, or high or low atmospheric pressure variations – must be adequately protected by proper packing and any other necessary measures.
- D. Shipments of Perishable Commodities: shipments must be packed to travel without spoilage for the anticipated duration of the transportation service and not less than 72-hours from the time of pickup.
- E. Each piece must be legibly and durably marked with the name and address, including correct ZIP/Postal code of the Shipper and Consignee. When a container is used repetitively, all old labels, tags markings, etc., must be removed and the container must retain adequate strength for further transportation.

- F. Pieces with a floor bearing weight in excess of 100 pounds (45.36 kilograms) per square foot must be provided with a skid or base which will reduce the floor bearing weight to 100 pounds (45.35 kilograms) or less per square foot. Such skid or base must be furnished by the Shipper and included in the gross weight of the piece.
- G. Shipments of artwork, original paintings, drawings, etchings, watercolors and sculptures of any kind, must be packed in wood crates or at least ¼ inch (.64 centimeters) thickness which completely surround the article being shipped and must be clearly marked as to the nature of the contents. The Shipper must not include glass facings in the same shipping container described herein. If a glass facing is included, the carrier will not be responsible for any damage to the commodity therein.

#### **XV. Payment of Charges**

- A. Rates and charges are stated in United States currency and are payable in lawful money of the United States or such lawful money as JAG Logistics specifies.
- B. Unless a credit account has been previously established with us and subject to such account being in good standing in our sole discretion, all prepaid charges are payable by check at the time we accept the shipment, and all collect charges are payable by check at the time we deliver the shipment if a credit account has been established. Shipper agrees to keep the account current and agrees to pay each invoice according to its Service Conditions. Unless other payment Service Conditions are shown on the face of the invoice, it is agreed that Shipper shall pay JAG Logistics within fifteen (15) days of the invoice date. In the event that Shipper fails to keep the account current, all amounts owed by Shipper shall immediately become due and payable. Shipper shall also become indebted to JAG Logistics for cost of collection, including reasonable attorney fees plus one and one-half percent (1.5%) interest per month, compounded daily and calculated from the due date of the invoice. Cash will not be accepted by our employees as a form of payment.

#### **XVI. Pickup and Delivery Service**

- A. Pickup and/or delivery service will be provided during business hours Monday through Friday (except holidays), unless otherwise arranged in advance and in writing through JAG Logistics.
- B. Pickup and/or delivery service will not be provided to or from any address not directly accessible to vehicles or where it is impractical to operate a vehicle.
- C. At buildings where our employees are not permitted access to floors above the ground floor:
  - 1. We will pick up shipments only when tendered at the ground floor, and
  - 2. Deliver shipments to the person whose duty it is to receive property for the occupants of such buildings which will constitute delivery to Consignee.
- D. Loading and unloading incidental to pickup and delivery service will ordinarily be performed by one person. Pickup and delivery service will not be provided for pieces which cannot be handled by one person unless advance arrangements have been

- E. made, including, where necessary, the furnishing of additional people and equipment by the Shipper or Consignee.
- F. When vehicles are held for loading or unloading in excess of 15 minutes, an additional charge may be assessed. Charges based on time will be computed by multiplying the hourly rate of \$65/hour by the time involved.
- G. If, at the customer's request, a vehicle other than our own does the pickup or delivery within the pickup and delivery zones defined in our Service Guide, a handling fee of \$25 per shipment may be assessed. In addition, the truckers actual amount invoiced to us will be re-billed to the payor of the shipment.
- H. Any pickup or delivery requested and made after normal business hours on Monday thru Friday or on a legal holiday or on Saturday or Sunday, will be subject to advance arrangements and additional charges per shipment. Weekday PU/D \$75.00; Saturday PU/D \$100.00; Sunday/Holiday \$125.00.

#### **XVII. Proof of Delivery**

When requested by the Shipper or Consignee, we will furnish a copy of the delivery record signed by the Consignee or designated agent as proof of delivery. An additional charge of \$25.00 per delivery record copy may be assessed for this service.

#### **XVIII. Re-Delivery Service**

A shipment which, through no fault of ours, cannot be delivered on the first tender of delivery to the Consignee, will be returned to our facility and the Consignee will be notified. Re-Delivery will be made only upon request of the Consignee. An additional minimum charge of \$50.00 per shipment may be assessed for re-delivery.

#### **XIX. Routing and Re-routing**

We will determine the routing and method of transportation of all shipments.

#### **XX. Shipments Acceptable**

Shipments are acceptable for transportation only when the rules and regulations shown herein and all laws, ordinances, and other governmental rules and regulations governing the transportation thereof have been complied with by the shipper and/or Consignee.

#### **XXI. Shipments Not Acceptable**

- A. The following shipments will not be acceptable for transportation by JAG Logistics.
  - (i) Any shipment prohibited by International, domestic, state and/or local law and regulation:
  - (ii) Original manuscripts or electronic data where no other copy or copies exist;
  - (iii) Live animals, including birds, fish, reptiles, or insects, as well as mice, rats, toads, frogs or leaches destined to or originating from medical laboratories within the United States.;

- (iv) Used furniture or household goods uncrated or unwrapped;
- (v) Shipments requiring a DOT or IATA toxic or poison label;
- (vi) Hazardous or waste materials;
- (vii) Shipments requiring a DOT or IATA Explosives 1.4 label (See Section VI above for a complete listing of acceptable hazardous materials and dangerous goods);
- (viii) Shipments requiring DOT or IATA infectious Substance Label, or "Ethological Agent" label;
- (ix) Shipments not accompanied by the proper and legally required documentation;
- (x) Shipments of any inherent nature for which transportation could not be furnished without sustaining loss or damage;
- (xi) Shipments that are improperly packaged; and
- (xii) Shipments that require cooling or freezing facilities at origin or destination.

- B. In addition, JAG Logistics reserves the right to reject the following articles for carriage, or if JAG Logistics discovers after acceptance of the shipment that it contains any of the following articles, JAG Logistics reserves the right to refuse the shipment, or if already in transit, to refuse to deliver the shipment to the Consignee:

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; jewelry (other than costume jewelry); pearls, precious metals, securities (negotiable); time sensitive written material (e.g. bids, contract proposal, etc., when the declared value exceeds \$0.50 per pound); household goods and/or personal effects; one-of-a-kind articles or models, prototypes; and rugs, prints or lithographs when the total declared value of the shipment exceeds \$500.00.

- C. JAG Logistics shall not be liable for any loss, damage, delay, liabilities, penalties or fines resulting from the transportation of any of the foregoing articles, however described or mis-described, in this Contract or any other document related to this shipment, and no employee or agent of JAG Logistics has any authority to waive the limitations herein contained. Shipper agrees to pay all expenses, freight charges, fines and penalties related to any shipment made in violation of this provision. Shipper further agrees to indemnify and hold harmless JAG Logistics from and against any and all loss, damage, delay, liabilities, penalties or fines arising out of any such shipment.

## **XXII. Shipments Subject to Advance Arrangements**

The following will be accepted for carriage only upon advance arrangements and approval by JAG Logistics and only when such advance arrangements have been satisfactorily completed.

- A. Any shipments having a declared or insured value of \$25,000.00 (USD) or more
- B. Any shipments with a destination in Mexico having a declared or insured value.

- C. Perishables such as fresh fruits, vegetables or other perishable foods or cut flowers.
- D. Shipments requiring pickup or delivery of packages which cannot be handled by one individual.
- E. Excessive weight or size shipments.
- F. Shipments requiring special devices for safe handling.
- G. Special request protective services of any type.
- H. Multi-piece or unusually sized hazardous materials or dangerous goods shipments.
- I. Customized transportation services.

### **XXIII. Shipments Subject to Delay**

The following conditions may delay delivery of the shipment to the Consignee:

- A. If the dimensions of the shipment are too large for available aircraft.
- B. Shipments that are improperly packaged, labeled or marked or that lack proper documentation.
- C. Shipments that are tendered by another carrier or by the Shipper that do not enter our system in time to meet our departure times or critical processing requirements.
- D. Shipments for which the Shipper has omitted or provided an incorrect Consignee address or ZIP/Postal code on the Contract.
- E. Shipments requiring special licenses or consularization filing prior to export.
- F. Shipments difficult to handle, oversized or unwieldy, Hazardous materials and/or dangerous goods shipments. Shipments requiring customs clearance and shipments subject to government agency requirements other than customs clearance, such as inspection of plant materials.

### **XXIV. Shipments Subject to Special Conditions**

- A. Shipments requiring special devices for safe handling will be accepted only when such special devices are provided and operated by and at the expense of the Shipper or Consignee.
- B. Dangerous Goods and items with a declared or insured value of \$25,000 (USD) or greater must not be included in the same shipment with any other article.

### **XXV. Insurance**

- A. Insurance is effective on a shipment when the Shipper or Consignee requests in writing, prior to shipment, to have the Goods insured.
- B. Coverage is subject to Institute Cargo Clauses "A" ALL-Risk Cargo Coverage.
- C. Insurance applies for the duration of the JAG Logistics issued contract in a maximum amount of \$500,000 per shipment, unless the Goods consist of personal communications devices, CPUs, RAM or other computer speed or memory enhancers, which in those shipments, the maximum amount is \$50,000 per shipment.
- D. No deductible applies unless otherwise stated.
- E. Goods, for claims purposes, will be valued at cost, insurance, and freight, plus 10%, and coverage is included for War Risk and Strikes, Riots and Civil Commotion on international shipments.

- F. No coverage is extended for inherent vice, delay or improper packaging.
- G. Coverage does not apply unless agreed prior to shipment, in writing, by JAG Logistics insurance department for the following Goods:

Negotiable goods; goods with innate value; perishables; live plants; animals, automobiles; ceramics; tile; porcelain (including bathroom fixtures); pottery; alcoholic beverages and tobacco products; used, reconditioned, refurbished merchandise, cast iron pipes; steel; glassware; crystal; Chinaware; household goods and personal effects; marble; and granite.

- H. This summary is only an indication of coverage. The actual policy provides complete terms, conditions and exclusions. A complete copy of the policy can be made available by making a written request to JAG Logistics / 406 Amapola Avenue, Suite 200 / Torrance, CA 90501.

#### **XXVI. Storage**

- A. When the shipment is held by us after the expiration date of such free time, our liability for the shipment will terminate.
- B. The provisions of our lien shall apply to all shipments which are stored pursuant to this Term.

#### **XXVII. Tariff Copying Charges**

We will furnish copies of tariff pages on request. A service charge of \$2 per page may be assessed for each copy/page furnished.

#### **XXVIII. Specialized Transportation Services**

- A. Liability for cargo damage or loss that occurs during shipment preparation, inside pickup, disassembly, packaging, skidding, crating, inside delivery, unpacking, placement, assembly, installation or other non-transportation services provided by us shall be set forth in Section XI above.
- B. We reserve the right to treat requests for inside pickup or delivery or any other specialized services as requests for Specialized Transportation Services, and we may assess applicable charges accordingly.
- C. Shipments that are undeliverable because they require Specialized Transportation Services may be treated by us as though Specialized Transportation Services were requested by the Shipper or Consignee, and we may assess applicable charges accordingly. Charges for these services will be assessed to the party responsible for the payment of transportation charges.