



**Terms and Conditions:
Shipments to and from and within Mexico
and Conditions of Contract of Carriage**

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1. Introduction

Jag Logistics, LLC, is licensed as required by law and operates as a Freight Forwarder and indirect Air Carrier, where applicable. In tendering shipment(s) for (a) ground transportation to, from or within Mexico, or (b) air transportation within Mexico, Customer agrees to be bound by these Mexico Terms and Conditions of Contract of Carriage ("Terms and Conditions"); and indicates its understanding that the JAG Logistics waybill, bill of lading or other shipping document utilized is non-negotiable. Shipments moving via air or ocean transportation to or from Mexico and a foreign country shall be governed by the applicable international terms and conditions published at www.jaglogistics.com. No agent or employee of the parties may alter these Terms and Conditions, unless in writing and signed by both parties. NOTE: "Customer" in these Terms and Conditions means the party from whom the shipment is received, any party who requested the shipment be transported by JAG Logistics, any consignee, any party having an interest in the shipment, and any party who acts as an agent for any of the above.

These Terms and Conditions constitute the contract of carriage between JAG Logistics and the Customer. These Terms and Conditions also apply whenever any claim is made against any employee, agent or independent contractor engaged by JAG Logistics to perform any transport or related service for Customer's shipment(s) whether the claims are founded in contract or in tort and the aggregate liability of JAG Logistics and all such persons shall not exceed the limitations of liability in these Terms and Conditions. For purposes of this clause JAG Logistics acts as agent for all such persons who may ratify such agency at any subsequent time.

These Terms and Conditions shall supersede and prevail over any conflicting terms and conditions contained on any bill of lading, waybill, shipping document, shipping receipt, or other purported contract of transportation under which any shipper, carrier, person or entity undertakes to tender Freight to JAG Logistics for transportation. The signature of a JAG Logistics employee or any of its agents on any such document shall be solely for the convenience of the party tendering such shipment and shall not constitute an acceptance by JAG Logistics or JAG Logistics agent of any terms which vary from these Terms and Conditions.

Customer warrants and represents to JAG Logistics that the information set forth on the face of the JAG Logistics waybill, Bill of lading(s) or other shipping document (when prepared by Customer) or the information supplied to JAG Logistics regarding any shipment(s) is complete and accurate; and that each package and/or article in the shipment(s) is properly and completely described including correct weight and measurement, is adequately packaged to protect the enclosed goods from loss or damage with ordinary care in handling, is properly

classified, described, packaged, marked and labeled and is in proper condition for transportation according to all applicable government regulations including, without limitation, regulations governing the transportation of hazardous materials, regardless of mode of transport. Customer's violation of any of these warranties will excuse JAG Logistics from any liability whatsoever for damage to any item(s) incurred as a result of such violation and shall also cause Customer to be liable to JAG Logistics for all claims, fines, penalties, damages, costs or other sums, including reasonable attorney's fees, incurred by JAG Logistics as a result of such violation.

2. Liability

2.1 At time of delivery, the consignee must note on the delivery receipt any exceptions to the count or condition of the shipment or the shipping containers. Where otherwise liable, under these Terms and Conditions, JAG Logistics shall not be liable for concealed damage not noted on the delivery receipt and/or not consistent with visible signs of damage to the outside shipping container(s), unless Customer is able to prove that such loss or damage occurred while the shipment was in JAG Logistics or its agent's possession. All claims for concealed damage not noted at the time of delivery must be reported in writing to JAG Logistics within forty-eight (48) hours of delivery, and any failure to report concealed damage claims within said timeframe shall act as a bar to the recovery of a claim. A clear delivery receipt shall be prima facie evidence of ordinary care in handling and receipt of the shipment(s) in good condition. Notations such as "subject to inspection or count" will not be considered evidence of damage or shortage.

2.2 (a) For ground and air shipments transported exclusively within Mexico, and for ground shipments transported between Mexico and a foreign country other than the United States, the liability of JAG Logistics for loss or damage to cargo shall be limited to the lesser of (i) \$0.10 per pound per piece lost or damaged; (ii) the applicable limitation of liability provided by Mexico or other compulsorily applicable law, if any, (iii) the cost to repair damaged goods which are capable of repair without diminution in commercial value, and (iv) \$1,000 USD per shipment.

2.2 (b) For ground shipments moving between the United States and Mexico: (1) The Liability of JAG Logistics for loss or damage to any such shipment or portion thereof during periods of transportation within the United States shall be limited to the lesser of (i) \$0.10 USD per pound per piece or damaged or, if a higher value is declared to or prior at the time of shipment and excess value charges of \$0.65 USD per each \$100 USD of declared value paid, the value so declared; (ii) the replacement value of goods of like kind and quality, (iii) Customer's cost of the goods lost or damaged; or (iv) the cost to repair damaged goods which are capable of repair without diminution in commercial value. (2) The liability of JAG Logistics for loss or damage to any such shipment or portion thereof during periods of transportation within Mexico shall be limited to the lesser of (i) \$0.10 USD per pound per piece or damaged; (ii) the applicable limitation of liability provided by Mexican or other compulsorily applicable law, if any; (iii) the cost to repair damaged goods which are capable of repair without diminution in commercial value; and (iv) \$1000 USD per shipment. (3) Customer acknowledges and agrees that

any shipment values declared by Customer shall only apply to loss or damage occurring within the United States, and shall not apply to loss or damage occurring within Mexico, regardless of any issuance of a through Bill of lading. In the event it cannot be ascertained through a preponderance of the evidence where loss or damage was incurred, such loss or damage shall be presumed to have occurred during periods of transportation in Mexico. Pursuant to 49 U.S.C. /1410 (b) (1), JAG Logistics and Customer expressly waive all rights and remedies each may have under Part V.05272015 B, Subtitle IV, Title 49, U.S. Code which conflict with any provision of this Agreement. Customer agrees that JAG Logistics shall not be liable for cargo loss, damage, or delay beyond limits, stated in this Section 2.2.

2.3 In the event JAG Logistic approves a damage claim for payment, JAG Logistics shall be entitled to possession of the portion of the shipment for salvage for which claim was made and payment approved. When the salvage is food products, JAG Logistics shall, however, have the option to determine whether it will take possession of the salvage or direct other disposition of the same. The failure to comply with this Section shall be a bar to recovery of any claim.

2.4 Notwithstanding anything to the contrary contained herein, in no event shall JAG Logistics' Liability for aggregate losses or damages to cargo at any one time, at any one place, exceed \$100,000 USD, unless mutually agreed upon in writing by both parties prior to tender of the shipment(s).

2.5 It is agreed upon and understood that any valuation of goods for the purposes of disclosure under the customs laws of any country stated on the face of any shipping document(s) or in any electronic communication does not constitute a declared value of the shipment, as contemplated by Section 2.2 above.

2.6 Customer understands and agrees that the rates charged by JAG Logistics for services do not include Insurance or other compensation for loss/damage other than as expressly provided herein. JAG Logistics may assist Customer, upon Customer's request, with the placement of cargo insurance. Unless requested by Customer in writing in advance of shipment, and such request is confirmed in writing by JAG Logistics, JAG Logistics is under no obligation to procure insurance on Customer's behalf. Any such cargo insurance procured by JAG Logistics on Customer's behalf shall be subject to the applicable policy terms thereof, and JAG Logistics shall not be liable if, for any reason, the Customer is unable to recover a loss in whole or in part from the insurer under said Policy, even if the premium charged by the insurer is different from Jag Logistics charges to the customer for the coverage. Should the Cargo insurance coverage made available to Customer by JAG Logistics be insufficient to protect Customer's interests, Customer is encouraged to consult an insurance broker of its own choosing so as to purchase insurance elsewhere.

3. Liabilities Not Assumed

3.1 JAG Logistics 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 market, whether or not JAG Logistics had knowledge that such damages might be incurred.

- 3.2 Due to the inherent nature of the Transportation business, JAG Logistics does not guarantee pick-up, transportation or delivery by a special date or a special time, and shall not be liable for any claimed delay in pick-up, transportation, delivery, or consequences resulting therefrom.
- 3.3 JAG Logistics shall not be liable for loss, damage, delay or monetary losses of any type caused by: Acts of God, including, but not limited to, weather events; acts of public authorities acting with actual or apparent authority; strikes or labor disputes; mechanical failures, aircraft failures, civil commotions or riots, acts or omissions of customs or quarantine officials; the nature of the freight or any defects thereof, acts of public enemies; hazard incident to a state of war, acts of terrorism, or the acts defaults, or omissions of Customer including, but not limited to, improper packing, incorrect marking, incomplete or inaccurate shipping instructions, or the failure to observe these Terms and Conditions or the rules relating to freight not acceptable for transportation, or freight acceptable only under certain conditions as set forth in Section 3.5 below.
- 3.4 JAG Logistics shall not be liable for loss or damage to exterior packaging or outside shipping containers, which does not result in damage to the enclosed goods.
- 3.5 JAG Logistics will not accept for transportation any shipment or commodity prohibited by law. In addition, the following items are not acceptable for carriage and will not be accepted by JAG Logistics: original works of art, antiques, bonds; coins of any kind, currency and currency equivalents, furs and fur clothing; gems and stones (cut or uncut); industrial diamonds; gold or silver jewelry (other than costume jewelry); pearls, precious metals; negotiable securities; time sensitive written materials (such as contract bids and proposals); software licenses; electronic data (i.e., data stored on computers, discs, credit cards, etc.); household goods and personal effects; one-of-a-kind articles, models or prototypes; valuable rugs (i.e., oriental rugs or Persian rugs); original prints and lithographs; bagged goods, cement, fertilizer, fishmeal, bulk commodities; fresh fruits, fresh vegetables; live animals, live plants, human remains of any kind; nuclear fuels; confectionery chocolates; ceramics; pottery; porcelain, marble, granite, china; glassware; florescent tubes, neon lighting; neon signs; x-ray tubes; glass mirrors; windows; glass or other inherently fragile items and such other articles as may be specifically advised by JAG Logistics to the Customer in advance of the tender of any shipment(s) for carriage.. Except as otherwise provided in these Terms and Conditions, no employee or agent of JAG Logistics has any authority to accept such articles for transportation, or to waive the limitations contained herein. Should JAG Logistics inadvertently accept for transportation any article(s) enumerated in this Section 3.5, JAG Logistics liability for loss or damage thereto shall be limited pursuant to the terms of Section 2.2 above, for shipments on which no excess value has been declared.
- 3.6 JAG Logistics agrees to move a shipment of used product under the following conditions: JAG Logistics shall not be liable for any concealed loss and/or damage not noted on the delivery receipt at the time of delivery. JAG Logistic shall not be liable for any electrical and/or mechanical derangement, rust, oxidation, discoloration, or cosmetic damage of any kind to the used product shipped. Shipment must be properly packaged and/or crated in order to withstand ordinary care in handling during transit.

4. Claims Process

- 4.1 Claims for loss or damage must be filed in writing with JAG Logistics within fourteen (14) days after the delivery of the shipment, except that claims involving loss/damage to ground shipments incurred within the United States must be filed within nine (9) months of delivery, or the anticipated delivery date in the event no delivery takes place. In the case of all claims for loss or damage to shipment(s), JAG Logistics must be allowed the opportunity to make inspection of the shipment(s), container(s), and packaging material(s) at the place of delivery. Failure to afford JAG Logistics the opportunity to inspect claimed product and all related packaging shall be a bar to recovery of any claim.
- 4.2 Overcharge claims must be filed in writing with JAG Logistics within 180 days of Customer's receipt of the original invoice from JAG Logistics; and, provided that such a claim has been timely filed, any action or proceeding by Customer against JAG Logistic to recover such charges shall be commenced not more than eighteen (18) months after Customer's receipt of the JAG Logistics invoice.
- 4.3 Any claim for damage to Customer's premises incurred during performance of services JAG Logistics will be deemed untimely unless noted on the bill of lading or delivery receipt or reported to JAG Logistics in writing within twenty-four (24) hours of service at that location. Failure of Customer to notify JAG Logistics of any such damage in a timely manner will be grounds for declination of any such claim; and Customer will be barred from pursuing any such claim in a court of law or otherwise. In order for JAG Logistics to consider any such claim, JAG Logistics must be afforded the opportunity to make inspection of any property damage.
- 4.4 No claims will be considered unless all applicable transportation charges have been paid. Claims may not be deducted from transportation charges and no claims may be deducted from any other charges owed to JAG Logistics. JAG Logistics reserves the right to deduct claim payments from open delinquent Customer balances.
- 4.5 Formal claims, notices, and all related correspondence shall be filed with JAG Logistics at 406 Amapola Ave, Suite 200, Torrance, CA. 90501 USA or emailed to claims@jaglogistics.com.

5. Legal

- 5.1 Customer shall be liable for all charges incurred in connection with the transportation and/or handling of any shipment tendered to JAG Logistics; and shall indemnify JAG Logistics for claims, fines, duties, taxes, penalties, losses, liabilities (including but not limited to those for storage, demurrage, port or terminal charges), handling, reconsignment, return of freight to the shipper, and other services) or other sums which may be incurred by JAG Logistics by reason of any violation of these Terms and Conditions or any other default of Customer. JAG Logistics shall have a continuing general lien upon all goods and documents in its possession, custody or control or en route for all amounts owed to JAG Logistics, including all charges, expenses, duties, fines, penalties, or advances in connection with any shipment or other transaction

5.2 involving Customer. The lien supplements JAG Logistics other rights under any other agreements and/or applicable law and can be extinguished only by full and indefeasible payment of all secured amounts. If Customer defaults in the payment of any such amounts, then JAG Logistics may sell such property by public auction or private sale. Any notice required to be given by JAG Logistics of a sale or other intended action with respect to any goods or documents, made by sending same to Customer at least ten (10) days or such other minimum period as prescribed by law prior to any proposed action, shall constitute fair, reasonable and adequate notice to Customer. Customer is liable for any deficiency from any sale.

5.3 All invoices not paid within 30 days of invoice will be subject to a charge of 1-1/2 % per month. JAG Logistics shall perform a credit worthiness assessment and assign a credit limit determined by the Customer's financial worthiness. JAG Logistics may at any time reassess the credit limit of Customer.

5.4 Customer shall hold JAG Logistics and its agents harmless for loss, damage, delay or any monetary losses which are a result of auxiliary services (services which are performed prior to subsequent to transportation, including, but not limited to, local cartage, crating, uncrating, packing, warehousing, and unpacking) performed or arranged directly by Customer, and not by JAG Logistics. In the event auxiliary services are performed by JAG Logistics or its agents, under no circumstances will the liability of JAG Logistics for any monetary loss resulting from the performance of such services be greater than the liability contained in these Terms and Conditions.

5.5 Customer agrees that any assistance it, its agents, employees, contractors, or other affiliated parties may provide during pick-up, transportation or delivery process will be at said parties' own risk. Customer hereby assumes the responsibility of notifying any related parties of the risks of assisting in any service being provided by JAG Logistics. Customer shall indemnify and hold harmless JAG Logistics from any liability or claims resulting from the respective participation or assistance of Customer, its agents, employees, contractors, or other affiliated parties in any service being provided by JAG Logistics.

5.6 Should JAG Logistics prevail in any legal action for the enforcement of these Terms and Conditions or collection of any sums due and payable under these Terms and Conditions, JAG Logistics shall be entitled to reasonable attorney's fees and costs.

5.7 By accepting the services provided under these Terms and Conditions, Customer irrevocably attorns: a) in respect of intra-Mexico shipments and shipments between Mexico and a foreign country other than the United States of America, to the exclusive jurisdiction of the courts of the State of Sonora and the Federal Courts of Mexico, or b) in respect of shipments with any routing into, through or from the United States of America , to the exclusive jurisdiction of the courts of California and the Federal Courts of the United States of America, waiving jurisdiction of all other courts. The obligations in this paragraph shall survive termination of these Terms and Conditions.

6. Service

- 6.1 Rates and charges for Customer's shipments will be based on actual or dimensional weight, whichever is greater. Customer is responsible for providing accurate weight and measurements for its shipments. Shipments are subject to re-weigh and re-measurement by JAG Logistics.
- 6.2 JAG Logistics shall have the right to (A) substitute alternative carriers or other means of Transportation and (B) select the routing or deviate from that shown on the bill of lading(s), or other transport document(s), provided, however, that no substitution, rerouting or deviation deemed by JAG Logistics to be reasonable shall serve to invalidate any otherwise applicable limitation of liability. JAG Logistics shall use reasonable care in its selection of third parties, or in selecting the means, route and procedures to be followed in the handling, transportation, clearance and delivery of a shipment. JAG Logistics is authorized to select and engage carriers, truckers, forwarders, customhouse brokers, agents, warehousemen and others as required to transport, store, deal with and deliver the shipment(s). If events or circumstances occur, including a Customer's failure to take delivery, that affect performance of the Customer's mandate, JAG Logistics shall take reasonable steps to obtain the Customer's further instructions. If for whatever reason it does not receive timely instructions, JAG Logistics may: (i) store the goods at the sole risk and expense of the Customer; (ii) sell the goods immediately and without further notice, and hold any net proceeds for the account of the Customer; or (iii) authorize any third party to abandon carriage and make the goods or any part of them available to the Customer at a place that is reasonable in the circumstances.

7. Security, Compliance, Inspection

- 7.1 Shipments are subject to security controls by carriers and, where appropriate, by government agencies.
- 7.2 Copies of shipping documents will be retained by JAG Logistics for a period of two (2) years, or as otherwise required by applicable law.
- 7.3 Shipments are subject to inspection by JAG Logistics at JAG Logistics option to confirm weight, density, description and/or security clearance.
- 7.4 It is Customer's responsibility to know and comply with applicable licensing, classification, valuation, marking and other customs requirements, laws, regulations, and rulings in force of any country having jurisdiction over a shipment. JAG Logistics shall not be responsible for action taken, liquidated damages, or fines or penalties assessed by any governmental agency against the shipment because of the failure of shipper to comply with the laws, requirements or regulations of any country or governmental agency or with a notification issued to ship by an such agency.