

U.S. DOMESTIC CONDITIONS OF CONTRACT

1. In tendering the shipment described on the Air Waybill and/or Cargo Receipt, Shipper agrees to these Conditions of Contract, which no agent or employee of the parties may alter. Shipper further agrees that the Air Waybill and/or Cargo Receipt is non-negotiable has been prepared by Shipper or on Shipper's behalf by Carrier.
2. SHIPPER is responsible for preparing, marking, packing, labeling and properly describing the contents of the shipment so as to ensure safe transportation with ordinary care in handling. CONSIGNEE's signature, without notation, on the delivery receipt of the Air Waybill shall be deemed prima facie evidence that the shipment was delivered in good condition and in accordance with the Air Waybill and/or Cargo Receipt.
3. All shipments, at CARRIER's option, may be opened and inspected.
4. Notice applicable to Air Waybills starting with 687: United States Transportation Security Administration Full All-Cargo Aircraft Operator Standard Security Program Known Shipper's Security Notification – Cargo items tendered for air transportation are subject to aviation security controls by air carriers and when appropriate, other government regulations. Copies of all relevant shipping documents showing the cargo's consignees, consignor, description or other relevant data will be retained in file until the cargo completes its air transportation.
5. All freight tendered to CARRIER is subject to reweighing, at either the point of tender, point of transfer or destination and recalculation of freight charges based on such reweighing. Shipment charges are based on the greater of the shipment's actual gross weight or the cubic dimensional weight of one pound per 194 cubic inches, or fractions thereof. All shipments tendered to CARRIER are subject to dimensionalization either at point of tender, point of transfer or destination.
6. CARRIER may determine routing, and may change routing to expedite the shipment via any other transportation agency, unless shipper inserts specific routing. Transportation charges shall not exceed origin to destination charges shown on the Air Waybill and/or Cargo Receipt. CARRIER will determine on a not unjustly discriminatory basis, the priority carriage as between shipments. CARRIER assumes no obligation to commence or complete transportation within a certain time or make connections with any other carriers within a certain time.
7. SHIPPER shall comply with all applicable laws and Customs and other Government regulations of any jurisdiction to, from or through which the shipment may be carried, including those relating to the packing, carriage, or delivery of the shipment, and shall furnish such information and attach such documents to this Air Waybill and/or Cargo Receipt as may be necessary to comply with such laws and regulations. CARRIER shall not be obligated to inquire into the correctness or sufficiency of such information or documents. CARRIER shall not be liable for any loss or expense due to SHIPPER's failure to comply with this provision. SHIPPER shall defend, indemnify, and hold CARRIER harmless for any damages of any nature arising from SHIPPER's breach of this provision or any other rule or regulation applicable to a shipment.
8. **CARRIER SHALL NOT BE LIABLE FOR LOSS, DAMAGE, DELAY OR OTHER RESULT CAUSED BY:**
 - a. **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, UNAVAILABILITY, IN WHOLE OR IN PART, OF AIRCRAFT FUEL, STRIKES, CIVIL**

COMMOTIONS, OR HAZARDS OR DANGERS INCIDENT TO THE STATE OF WAR OR NUCLEAR RISK.

- b. THE ACT OF DEFAULT OF THE SHIPPER OR CONSIGNEE AND/OR ANY VIOLATION BY THE SHIPPER OR CONSIGNEE OF ANY OF THIS CONTRACT OF CARRIAGE.**
- c. THE NATURE OF THE SHIPMENT, OR ANY DEFECT, CHARACTERISTIC OR INHERENT VICE THEREOF.**
- d. VIOLATION BY SHIPPER OR CONSIGNEE OF ANY OF THIS CONTRACT OF CARRIAGE, INCLUDING, BUT NOT LIMITED TO, IMPROPER OR INSUFFICIENT PACKING, SECURING, MARING, OR ADDRESSING, AND FAILURE TO OBSERVE ANY OF THE RULES RELATING TO SHIPMENTS NOT ACCEPTABLE.**
- e. COMPLIANCE WITH DELIVERY INSTRUCTIONS FROM THE SHIPPER OR CONSIGNEE OR NONCOMPLIANCE WITH SPECIAL INSTRUCTIONS FROM THE SHIPPER OR CONSIGNEE NOT AUTHORIZED BY CARRIER'S RULES.**
- f. SHORTAGE OF ARTICLES LOADED AND SEALED IN CONTAINERS BY THE SHIPPER, PROVIDED THE SEAL IS UNBROKEN AT THE TIME OF DELIVERY AND THE CONTAINER RETAINS ITS BASIC INTEGRITY.**

IN NO EVENT SHALL CARRIER BE LIABLE TO SHIPPER FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING INTEREST, LOST REVENUES, LOST PROFITS OR LOST PROSPECTIVE ECONOMIC ADVANTAGE, WHETHER OR NOT FORESEEABLE AND WHETHER OR NOT BASED ON CONTRACT, STATUTORY LIABILITY, TORT, WARRANTY CLAIMS, OR OTHERWISE IN CONNECTION WITH THE SHIPMENT, AND SHIPPER HEREBY RELEASES AND WAIVES ANY CLAIMS AGAINST CARRIER REGARDING SUCH DAMAGES.

- 9. LIABILITY OF CARRIER IS LIMITED TO THE LESSER OF: (a) THE DECLARED VALUE PLUS THE AMOUNT OF ANY TRANSPORTATION CHARGES FOR WHICH CARRIER MAY BE LIABLE, (b) INVOICE VALUE, OR (c) THE AMOUNT OF SHIPPER'S ACTUAL DAMAGES ATTRIBUTABLE TO THE DAMAGE OR LOSS OF THE SHIPMENT, NOT TO EXCEED THE VALUE OF THE GOODS THAT WERE DAMAGED, LOST OR DESTROYED. THE "**DECLARED VALUE**" IS AGREED AND UNDERSTOOD TO BE NOT MORE THAN \$0.50 PER POUND OR \$50.00, WHICHEVER IS HIGHER, UNLESS A HIGHER VALUE IS DECLARED ON THE AIR WAYBILL AND/OR CARGO RECEIPT AND APPLICABLE CHARGES PAID TO CARRIER.
- 10. SHIPPER may purchase insurance through CARRIER up to identified replacement value of the shipment as identified in the insurance policy. Such insurance does not cover indirect losses or damages. Should SHIPPER purchase such insurance, it agrees to look solely to that insurance for recovery of any losses.
- 11. (a) All claims for damaged shipments must be made to CARRIER in writing within SIXTY (60) DAYS after the date of CONSIGNEE's acceptance of the shipment or, in the case of lost shipments, within SIXTY (60) DAYS after the date of issuance of the Air Waybill and/or Cargo Receipt; or in the case of claims for overcharges, within SIXTY (60) DAYS of the receipt of billing statement. (b) CONSIGNEE's signature, without notation, on the delivery receipt of the Air Waybill and/or Cargo Receipt is prima facie evidence that the shipment was delivered in good condition, without damage, and in accordance with the Air Waybill and/or

Cargo Receipt. (c) SHIPPER or CONSIGNEE must submit claims to CARRIER in writing for damage and/or loss discovered following delivery not more than fifteen (15) days after delivery. SHIPPER or CONSIGNEE must maintain the shipping container, packaging and contents in the same condition as when the damage was discovered and make the same available to CARRIER for inspection. (d) All shipment charges must be paid before CARRIER will consider any claim, unless (i) the shipment was lost, or (ii) perishable goods are totally spoiled and must be disposed of. CARRIER will not be liable in any action to enforce a claim for lost or damaged goods unless the foregoing claims procedures are complied with and the action is commenced within one hundred eighty (180) days of the date of delivery or attempted delivery of the goods, or in the case of loss, within one hundred eighty (180) days from the date of issuance of the Air Waybill and/or Cargo Receipt.

12. SHIPPER and CONSIGNEE shall be liable, jointly and severally to pay or indemnify CARRIER for all claims, fines, penalties, damages, costs or other sums which may be incurred, suffered or disbursed by reason of any violation of any of CARRIER's rules and/or by reason of any violation by SHIPPER of any applicable law or any other default of SHIPPER with respect to a shipment.
13. Unless contrary to applicable law, these Conditions of Contract shall be binding upon SHIPPER and CONSIGNEE and the carriers by whom transportation is undertaken between the origin and destination, including destination or re-consignment or return of the shipment, shall insure also to the benefit of any other person, firm, or corporation performing for CARRIER pickup, delivery or other ground service in connection with the shipment.
14. Unless contrary to applicable law, these Conditions of Contract shall apply at all times when the shipment is being handled by or for CARRIER, including pickup and delivery and other ground services rendered by or for CARRIER in connection with the shipment.
15. CARRIER will hold each shipment without charge for 48 hours after notification to CONSIGNEE of arrival.
 - a. CARRIER will continue to hold such shipment after the first 48 hours for 30 days at CARRIER's current storage charges as set forth on CARRIER's website. If such continued holding is not practical, or the nature of the goods prevents its storage at CARRIER's premises, CARRIER will have the right to: (i) place the goods in a public warehouse, at the expense of the SHIPPER and/or CONSIGNEE subject to a lien for all transportation, storage, delivery, warehousing and other charges, and without any liability to CARRIER or (ii) after notification to SHIPPER and/or CONSIGNEE, CARRIER may dispose of the goods through private or public sale.
 - b. Shipment to destination points, other than CARRIER's main hub, after the 30 day storage limit, shall be returned to CARRIER's main hub at SHIPPER's and/or CONSIGNEE's expense for disposition.
16. By tendering the shipment to CARRIER for transportation, SHIPPER, for himself and all other parties having an interest in the shipment, agrees to the limitations set forth in these Conditions of Contract and affirms the description of the shipment as recited on the Air Waybill and/or Cargo Receipt, and fact that the shipment is not of a nature unsuitable for carriage by air, or hazardous thereto.
17. No liability shall attach to CARRIER if CARRIER in good faith determines that what it understands to be the applicable law, government regulation, demand, order or requirement provides that it refuse to carry a shipment.

18. Air Waybills starting with 687 are subject to, and will be interpreted in accordance with, the laws of the State of Hawaii, without regard to principles of conflict of law. Air Waybills starting with 345 are subject to, and will be interpreted in accordance with, the laws of the State of Alaska, without regard to principles of conflict of law. Exclusive venue for any action relating to any Air Waybill starting with 687 shall be Honolulu, Hawaii. Exclusive venue for any action relating to any Air Waybill starting with 345 shall be Anchorage, Alaska. This venue clause shall apply irrespective of whether such action is brought in a state or federal court. In the event of a conflict between the terms expressed in these Conditions of Contract and any terms on the Air Waybill and/or Cargo Receipt, the terms of the Conditions of Contract shall prevail.

INTERNATIONAL CONDITIONS OF CONTRACT NOTICE CONCERNING CARRIER'S LIMITATION OF LIABILITY

If the carriage involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention or the Montreal Convention may be applicable and in most cases limit Carrier's liability in respect of loss, damage or delay to cargo. Depending on the applicable regime, and unless a higher value is declared and applicable charges paid, Carrier's liability may be limited to 19 Special Drawing Rights (SDR) per kilogram converted into national currency under applicable law.

1. In this contract and the Notices appearing hereon:

"Carrier" includes the air carrier issuing this air waybill and all carriers that carry or undertake to carry the cargo or perform any other services related to such carriage.

Special Drawing Right ("SDR") is a Special Drawing Right as defined by the International Monetary Fund.

"Warsaw Convention" means whichever of the following instruments is application to the contract of carriage:

- The Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, 12 October 1929; that Convention as amended at The Hague on 28 September 1955;
- that Convention as amended at The Hague 1955 and by Montreal Protocol No. 1, 2, or 4 (1975) as the case may be.

"Montreal Convention" means the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999.

2. Carriage is subject to the rules relating to liability established by the Warsaw Convention or the Montreal Convention unless such carriage is not "international carriage" as defined by the applicable Conventions.
- a. To the extent not in conflict with the foregoing, carriage and other related services performed by each Carrier are subject to:
- i. Applicable laws and government regulations;
 - ii. provisions contained in the air waybill, Carrier's conditions of contract and related rules, regulations, and timetables (but not the times of departure and arrival stated therein) and

applicable tariffs of such Carrier, which are made part hereof, and which may be inspected at any airports or other cargo sales offices from which it operates regular services. When carriage is to/from the USA, the shipper and the consignee are entitled, upon request, to receive a free copy of the Carrier's conditions of contract. The Carrier's conditions of contract include, but are not limited to:

1. limits on the Carrier's liability for loss, damage or delay of goods, including fragile or perishable goods;
 2. claims restrictions, including time periods within which shippers or consignees must file a claim or bring an action against the Carrier for its acts or omissions, or those of its agents;
 3. rights, if any, of the Carrier to change the terms of the contract;
 4. rules about Carrier's right to refuse to carry;
 5. rights of the Carrier and limitations concerning delay or failure to perform service, including schedule changes, substitution of alternate Carrier or aircraft and rerouting.
3. The agreed stopping places (which may be altered by Carrier in case of necessity) are those places, except the place of departure and place of destination, set forth on the face hereof or shown in Carrier's timetables as scheduled stopping places for the route. Carriage to be performed hereunder by several successive Carriers is regarded as a single operation.
 4. For carriage to which neither the Warsaw Convention nor the Montreal Convention applies, Carrier's liability limitation shall not be less than the per kilogram monetary limit set out in Carrier's tariffs or general conditions of contract for cargo lost, damaged or delayed, provided that any such limitation of liability in an amount less than 19 SDR per kilogram will not apply for carriage to or from the United States.
 5.
 - a. Except when the Carrier has extended credit to the consignee without the written consent of the shipper, the shipper guarantees payment of all charges for the carriage due in accordance with Carrier's tariff, conditions of carriage and related regulations, applicable laws (including national laws implementing the Warsaw Convention and the Montreal Convention), government regulations, orders and requirements.
 - b. When no part of the consignment is delivered, a claim with respect to such consignment will be considered even though transportation charges thereon are unpaid.
 6.
 - a. For cargo accepted for carriage, the Warsaw Convention and the Montreal Convention permit shipper to increase the limitation of liability by declaring a higher value for carriage and paying a supplemental charge if required.
 - b. In carriage to which neither the Warsaw Convention nor the Montreal Convention applies Carrier shall, in accordance with the procedures set forth in its general conditions of carriage and applicable tariffs, permit shipper to increase the limitation of liability by declaring a higher value for carriage and paying a supplemental charge if so required.
 7.
 - a. In cases of loss of, damage or delay to part of the cargo, the weight to be taken into account in determining Carrier's limit of liability shall be only the weight of the package or packages concerned.
 - b. Notwithstanding any other provisions, for "foreign air transportation" as defined by the U.S. Transportation Code:
 - i. in the case of loss of, damage or delay to a shipment, the weight to be used in determining Carrier's limit of liability shall be the weight which is used to determine the charge for carriage of such shipment; and

- ii. in the case of loss of, damage or delay to a part of a shipment, the shipment weight in 7.b.i shall be prorated to the packages covered by the same air waybill whose value is affected by the loss, damage or delay. The weight applicable in the case of loss or damage to one or more articles in a package shall be the weight of the entire package.
- 8. Any exclusion or limitation of liability applicable to Carrier shall apply to Carrier's agents, employees, and representatives and to any person whose aircraft or equipment is used by Carrier for carriage and such person's agents, employees and representatives.
- 9. Carrier undertakes to complete the carriage with reasonable dispatch. Where permitted by applicable laws, tariffs and government regulations, Carrier may use alternative carriers, aircraft or modes of transport without notice but with due regard to the interests of the shipper. Carrier is authorized by the shipper to select the routing and all intermediate stopping places that it deems appropriate or to change or deviate from the routing shown on the face hereof.
- 10. Receipt by the person entitled to delivery of the cargo without complaint shall be prima facie evidence that the cargo has been delivered in good condition and in accordance with the contract of carriage.
 - a. In the case of loss of, damage or delay to cargo a written complaint must be made to Carrier by the person entitled to delivery. Such complaint must be made:
 - i. in the case of damage to the cargo, immediately after discovery of the damage and at the latest within 14 days from the date of receipt of the cargo;
 - ii. in the case of delay, within 21 days from the date on which the cargo was placed at the disposal of the person entitled to delivery; or
 - iii. in the case of non-delivery of the cargo, within 120 days from the date of issue of the air waybill, or if an air waybill has not been issued, within 120 days from the date of receipt of the cargo for transportation by the Carrier;
 - b. Such complaint may be made to the Carrier whose air waybill was used, or to the first Carrier or to the last Carrier or to the Carrier, which performed the carriage during which the loss, damage or delay took place.
 - c. Unless a written complaint is made within the time limits specified in 10.1 no action may be brought against Carrier.
 - d. Any rights to damages against Carrier shall be extinguished unless an action is brought within two years from the date of arrival at the destination, or from the date on which the aircraft ought to have arrived, or from the date on which the carriage stopped.
- 11. Shipper shall comply with all applicable laws and government regulations of any country to or from which the cargo may be carried, including those relating to the packing, carriage or delivery of the cargo, and shall furnish such information and attach such documents to the air waybill as may be necessary to comply with such laws and regulations. Carrier is not liable to shipper and shipper shall indemnify Carrier for loss or expense due to shipper's failure to comply with this provision.
- 12. No agent, employee or representative of Carrier has authority to alter, modify or waive any provisions of this contract.
- 13. On request and if the appropriate premium is paid and the fact recorded on the face of the Air Waybill, the goods covered by this Air Waybill are insured under an open policy for the amount requested as set out on the face hereof (recovery being limited to the actual value of goods lost or damaged provided that such amount does not exceed the insured value). The insurance is subject to the terms, conditions, and coverage (from which certain risks are excluded) of the

open policy, which is available for inspection at any office of the issuing Carrier by the interested party. Claims under such policy must be reported immediately to the Carrier.

14. Transportation charges are based on the greater of actual gross weight or the cubic dimensional weight of one pound per 166 cubic inches or fraction thereof.
15. In the event of a conflict between the terms expressed in these Conditions of Contract and the Air Waybill, the terms of these Conditions of Contract shall prevail.