

Anderson Cargo Services, Inc. - Anderson Worldwide Logistics and Forwarding, Inc.
Hereafter denoted as: Forwarder of Record

CONDITIONS OF CONTRACT

1. BILL OF LADING:

By preparation of the Universal Transport Bill of Lading (Domestic), or Shippers Letter of Instruction (International), and tendering the shipment for carriage, the Shipper (USPPI) agrees to the CONDITIONS OF CONTRACT which no agent, assignee, or employee of the parties hereto may alter. The Universal Transport Bill of Lading, is a non-negotiable document for all DOMESTIC shipments only and must be prepared by the Shipper (USPPI) and tendered for carriage to the Forwarder of Record. For ALL International shipments, regardless of value, or commodity, a "SHIPPER LETTER OF INSTRUCTIONS" (SLI), US Customs Form 7525V [7-25-2000], see additional details in ITEM 2. (e. f.), must be prepared by the Shipper (USPPI) and presented to the Forwarder of Record for carriage. Or, by Shipper (USPPI) written authorization, in their name and on their behalf to the Forwarder of Record, to prepare any transport documents, to sign and accept any documents relating to said shipment, and forward this shipment in accordance with the conditions of carriage and the tariffs of the carriers employed.

- a. To any shipment(s) prepared and tendered for carriage by the Shipper (USPPI), to the Forwarder of Record and/or its assigned representative via the Universal Transport Bill of Lading, or Uniform Bill of Lading, or Shipper Letter of Instructions, or Shipper (USPPI) stationary, or general instruction sheet stated documents will constitute acceptance by the Shipper (USPPI) to all applicable Forwarder of Record conditions, tariff rules and regulations as are in place for the date of the shipment.
- b. Any shipment(s) prepared and tendered for carriage by the Shipper (USPPI) and issued ELECTRONICALLY to the Forwarder of Record and/or its assigned representative, will constitute acceptance to all applicable Forwarder of Record conditions, tariff rules and regulations as are in place for the date of the shipment.

2. DECLARED VALUE FOR CARRIAGE AND INSURANCE:

The maximum liability (Declared Value For Carriage) to the Forwarder of Record for any:

- (I) DOMESTIC shipment is; USD \$0.50 per pound, or \$50.00
- (II) INTERNATIONAL shipment is; 250 French Gold Francs per kilogramme and is approximately USD \$20.00 per kilogramme on the basis of USD \$42.22 per ounce of gold

on any lost or damaged shipment (see exclusions and exceptions in sub-paragraphs), and; applicable to the complete and properly described individual piece(s) of the shipment lost or damaged beyond economical repair, unless a greater amount is stated for "declared value for carriage" on the Forwarder of Record non-negotiable transport document PRIOR TO ACCEPTANCE by the Forwarder of Record and/or its assigned representative, and; all Forwarder of Record charges, including fees for declared value and insurance have been paid in full and subject to the following:

- a. Insurance reflects a separate policy issuance and fees. Coverage is available upon request, based on commodities and service type requested. All shipment documents must denote the Forwarder of Record authorizing person and applicable authorization number. For details to this, please contact Forwarder of Record corporate offices, insurance administrator.
- b. The maximum (total) excess declared value for carriage shall be USD \$15,000.00 per Universal Transport Bill of Lading for shipments within the United States, Puerto Rico and Canada. PRIOR WRITTEN AUTHORIZATION is required for values above USD \$15,000.00. This authorization can only be issued by an officer or authorized person of the Forwarder of Record corporate office and to which an authorization number will be issued for each instance. This authorization number must be so designated on the transport document.
- c. When excess declared value for carriage is requested on the Universal Transport Bill of Lading, or Air Waybill;
 - i. Each piece(s) must have the applicable excess declared value amount shown separate, and;
 - ii. In the absence of an assigned amount specified to each piece(s), the value shall be pro-rated and based on the averaged amount denoted for the entire shipment as stated on the Universal Transport Bill of Lading, or Air Waybill.
- d. The maximum liability of the Forwarder of Record, for any ENVELOPE or LETTERPAK is USD \$25.00, unless a greater amount is stated for "declared value" on the Universal Transport Bill of Lading PRIOR TO ACCEPTANCE by the Forwarder of Record and/or its assigned representative. The maximum declared value for carriage on such shipment shall be USD \$100.00.
- e. US Customs "Shipper Letter of Instructions" (SLI) must be completed by Shipper (USPPI), in its entirety, to all designated areas and items. This (SLI) must contain the ACTUAL signature of Shipper (USPPI) and be given to the Forwarder of Record and/or its designated representative at time cargo is picked up from Shipper (USPPI). All International shipments, regardless of value, or commodity, must be prepared and tendered for carriage via the US Customs "Shipper Letter of Instructions" (SLI) – U.S. Customs Form 7525V [7-25-2000].
- f. Prepaid, collect, or third party billing, International shipments with a value for customs, declared value for carriage, insurance, or regulated in nature by commodities or documents, will be accepted only with the approval of the Forwarder of Record. Acceptance shall be in accordance with the applicable and abiding conditions, tariff rules and regulations of the Forwarder of Record.
 - i. Shipments must be tendered for acceptance via the Forwarder of Record international "SHIPPER LETTER OF INSTRUCTION" (SLI), U.S. Customs Form 7525V [7-25-2000], and;
 - ii. In addition with, the proper U.S. Customs export documents as may be applicable to: value, commodities, licensing, etc., and;
 - iii. In addition with, the proper ultimate destination country documents for Custom import formalities.
- g. Please note that there will be a terrorism clause applicable to all current policy coverage and applications.
 - i. Terrorism is covered under the Institute Strikes clause. Unlike the Institute War clauses, where cover is only in place while the shipment is in the air, or on the seas, the Institute Strikes Clause is in force during the entire transportation movement (during the "ordinary course of transit") including land based transits. Terrorism will continue to be covered under this clause during the ordinary course of transit, but it will no longer be available on static risk exposures that are covered under the policy.
 - ii. For additional details to this, please contact the Forwarder of Record corporate office, insurance administrator.

3. **ACCEPTANCE AND RESTRICTIONS OF SHIPMENTS:**

The following items are "NOT ACCEPTABLE" for carriage and the Forwarder of Record and/or its assigned representative will not be responsible for: antiques, bills or money, bonds, jewels, negotiable items, original art work, works of art, precious stones, securities, watches, firearms, explosives.

- a. The following items are acceptable under "SHIPPER'S RISK ONLY". The Forwarder of Record and/or its assigned representative will not be liable for any loss or damage whatsoever arising from carriage for: used computer or electronic equipment, data from media, deeds, evidence of debt, glass, lighting fixtures, neon signs, notes, personal effects, perishables, used wearing apparel.
- b. New computer and electronic equipment can be accepted for carriage with a declared value, ONLY if properly packed (as in accordance with standard uniform code of registered packaging/crating industry) and the Forwarder of Record and/or its assigned representative liability will be limited to external physical damage only.
- c. The following situations are beyond our control, for which the Forwarder of Record and/or its assigned representative "CAN NOT ACCEPT ANY LIABILITY" are: acts of god, acts of war, civil interruptions, public enemies, riots, strikes, public authorities, and loss of accounts.

4. **RATES AND CHARGES:**

Our transport and service rates, declared value and insurance fees, are established on the basis of these conditions of contract, including limits of liability provided herein. If the rate is dependent on value, Shipper (USPPI) is required to declare value of cargo on the applicable non-negotiable transport document.

5. **CONSEQUENTIAL DAMAGES:**

Forwarder of Record and/or its assigned representative disclaims any liability for consequential, reconstruction cost, or incidental loss, resulting from any damage, loss or delay whatsoever as a result of a shipment failing to reach its destination.

6. **PACKAGING:**

Shipper (USPPI) warrant that the shipment is packaged to prevent damage from normal care in handling, to all modes of transport. Any fragile items must be professionally packaged or crated, or all claims will be denied.

- a. Packaging must be in accordance to the commodities contained therein, and;
- b. If applicable for transport handling, or contained regulated commodities, Shipper (USPPI) will be responsible to affix external markings and labels as in accordance with current labeling compliance of: IATA, DOT, FMC and/or other regulatory departments.

7. **DESCRIPTION:**

Shipper (USPPI) warrant that the shipment is complete, accurate and properly described on the Universal Transport Bill of Lading for Domestic shipments and the US Customs "Shipper Letter of Instructions" for International shipments, as to its actual content and applicable markings. Failure by the Shipper (USPPI) to show a true and accurate commodity description at the time of tender on all applicable documents and inclusive to required marks and labeling as may be required on external packaging of the shipment, will:

- a. Release the Forwarder of Record and/or its assigned representative from any claim liability in the possible event of loss, delay, or damage in such shipment, and;
- b. In the event of mislabeling and/or absence of required markings for applicable transport by Shipper (USPPI), Shipper (USPPI) will indemnify and hold harmless, the Forwarder of Record and/or its assigned representative.

8. **INSPECTIONS:**

Shipper (USPPI) herein grants permission to Forwarder of Record and/or its assigned representative to open any shipment for inspection and Forwarder of Record and/or its assigned representative reserves the right to open, inspect and refuse for carriage at its sole discretion, any shipment.

9. **PAYMENT, DISCREPANCIES AND SETTLEMENTS:**

All invoices are due and payable within fifteen (15) days from date of invoice. Finance charges, as outlined in the Forwarder of Record tariff rules and regulations shall be applied to unpaid invoices. The Shipper (USPPI) warrants payment of all charges (including Forwarder of Record legal fees), on any prepaid, collect or third party billing for collection of unpaid shipments. If the "BILL TO CHARGES" box is NOT completed prior to acceptance by Forwarder of Record and/or its assigned representative, the Shipper (USPPI) shall automatically be responsible for all charges.

- a. Any question or dispute of charges must be raised promptly (within five "5" business days from invoice date), in order to prevent unpaid, or open items and/or discrepancies.
- b. No amounts may remain outstanding in excess of fifteen (15) days of invoice due date.
- c. If nonpayment is due to a dispute of an operational nature, it must be resolved within ten (10) days of the actual consignment ship date, by recourse of the executive management, of the respective parties.
- d. Disputed amounts shall not delay the payment of non-disputed remittance amounts due.
- e. Any discrepancies are to be resolved with the issuing party within five (5) business days of invoice receipt, or any and all disputes will be void.

10. **FORWARDING:**

Forwarder of Record and/or its assigned representative will use its own judgement in exercising transport options to destination and reserves the right to act as "Agent of Record" for the Shipper (USPPI).

11. **CLAIMS:**

- In the event of a claim, the person entitled to delivery must make a complaint to the Forwarder of Record (carrier) in writing, in the case
- a. of visible damage to the goods, immediately after discovery of the damage and at the latest with 14 days from receipt of the goods.
 - b. of other damage to the goods, within 14 days from the date of receipt of the goods.
 - c. of delay, within 21 days of the date of the goods are placed at his disposal, and
 - d. of non-delivery of the goods, within 120 days from the date of issue of the applicable non-negotiable transport document.

Claims must be filed in writing and received by Forwarder of Record at its corporate office via registered mail. Shipper (USPPI), or Consignee must make damaged goods, inclusive with all packaging material available for inspection, or no claim will be entertained. All claims must contain a true and notarized copy of the actual purchase invoice(s) (including any/all applicable discount or allowance agreements) from its vendor for the damaged goods. For DOMESTIC SHIPMENTS only and when the "NO DELIVERY SIGNATURE REQUIRED" box is marked, Shipper (USPPI) releases Forwarder of Record and/or its assigned representative from all liability clauses resulting from any claim, regardless if any value for carriage, or insurance is declared.

12. **LIENS:**

Forwarder of Record shall have INTERMEDIATE OWNERSHIP and a LIEN on the shipment and all contents in its entirety for sums due and payable.

13. **DIMENSIONAL WEIGHTS:**

All shipments are subject to dimensional (volume) weight corrections and adjustments as may be applicable.

14. **RETURNS:**

Shipper (USPPI) shall be wholly liable for all costs and expenses related to the shipment and for all costs incurred, in either returning the shipment to the Shipper (USPPI), or warehousing, pending its disposition.

15. **HAZARDOUS MATERIALS:**

All dangerous goods, or hazardous materials, as may be specified, listed, or defined, in the regulations of: IATA, DOT, FMC, and/or other regulatory commissions, must be notified in advance of transport to Forwarder of Record and/or its assigned representative with all:

- a. Proper and complete descriptions, based on the applicable mode of transport, and;
- b. With all proper markings and labels affixed in accordance with the specified mode of transport, and;
- c. Originals of all Hazardous Declarations or Material Safety Data Sheets (MSDS), must be affixed to Universal Transport Bill of Lading, or "Shipper Letter of Instruction" (SLI) at time of collection by Forwarder of Record and/or its assigned representative.

16. **TARIFF RULES:**

By this reference, Shipper (USPPI) hereby agree to incorporate and make part of the CONTRACT, Forwarder of Record published conditions, tariffs, rules and regulations. Said conditions, tariffs, rules and regulations are available for inspection at the Forwarder of Record corporate office by the parties hereto.

17. **WARRANTY INFORMATION:**

This information is provided "as-is" without any warranty of kind. Forwarder of Record and/or its assigned representative disclaims any and all warranties, including the implied warranties of merchantability and fitness for particular purpose. Forwarder of Record and/or its assigned representative will not be liable for any damages, under any theory of law arising out of the provisions of this information.