### **ROGERS & BROWN CUSTOM BROKERS**

**INTERNATIONAL AIR FREIGHT TARIFF NO. 05-01** 

**NAMING** 

**RULES, REGULATIONS, RATES, AND CHARGES** 

**APPLICABLE TO THE** 

TRANSPORTATION OF AIR CARGO SHIPMENTS

**BETWEEN** 

**POINTS IN THE UNITED STATES** 

AND

**WORLDWIDE POINTS** 

ISSUED: FEBRUARY 7, 2005

ISSUED BY:
ROGERS & BROWN CUSTOM BROKERS
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#### RULE NO. APPLICATION OF CONDITIONS OF CARRIAGE

1

This publication constitutes the governing tariff and conditions of carriage for international air freight services performed by Rogers & Brown Custom Brokers, Inc. operating as an air freight forwarder, or indirect air carrier as that term is defined by the U.S. Department of Transportation (hereinafter referred to as "Forwarder"). Items in this publication are incorporated by reference in all pricing agreements, INCLUDING, WITHOUT LIMITATION, Quote Sheets on Transportation Contracts between Forwarder and all shippers or other parties. This publication also contains the conditions of carriage and applicable tariff as referenced on the air waybill issued on behalf of Forwarder.

#### RULE NO. RATES

2

Forwarder's rates are provided in Quote Sheets or Transportation Contracts, which any Shipper/Consignor/Consignee may obtain upon request. Unless specifically excepted in a Quote Sheet or Transportation Contract, all fees, service charges and other extra or additional charges of any nature shall be payable in addition to the rates.

#### RULE NO. <u>DEFINITIONS</u>

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- (A) ADVANCE ARRANGEMENTS means that the Shipper must contact the Forwarder prior to tender of shipment.
- (B) AIR WAYBILL means the non-negotiable document which evidences the contract between the shipper and the Forwarder for carriage of the shipment.
- (C) ARTICLES OF EXTRAORDINARY VALUE -The following commodities will be considered Articles of Extraordinary Value:

Art Works and supplies, including Paintings, Drawings, Etchings, Water Colors, Tapestries, Murals, and Sculptures with a declared value in excess of \$200.00.

Articles of Antiquity (Antiques)

**Bonds** 

**Bullion** 

Collectors' items such as coins, stamps, sports cards, souvenirs and memorabilia

Currency/Credit Cards

Deeds

**Dore Bullion** 

**Evidences of Debt** 

Film, photographic images, including photographic negatives, photographic chromes and photographic slides
Fur Clothing, Fur Trimmed Clothing and Fur Pelts
Gem & Stones, cut or uncut, precious and semi-precious
Gold Bullion, coined, uncoined, cyanides, dust or sulfides

Bills of Exchange

Jewelry, including costume jewelry

Money

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**Pearls** 

Platinum

Precious metals, except when incorporated into manufactured articles or components where the precious metal's use is functional, rather than decorative or ornamental

**Promissory Notes** 

Securities, negotiable

Silver Bullion, coined or uncoined, concentrates, cyanides precipitates or sulfides

Stamps, revenue or postage

Any commodity that is inherently susceptible to damage or of which the market value is extremely variable and/or difficult to ascertain.

- (D) COMPUTING TIME IN DAYS. Full calendar days shall be used and Sundays and Legal Holidays shall be included except where the last day falls on a Sunday or Legal Holiday, in which event the next following calendar day other than a Sunday or Legal Holiday shall be included. For purposes of notification the balance of the day upon which notice is dispatched shall not be counted.
- (E) CONTINENTAL UNITED STATES means the 48 contiguous states and the District of Columbia.
- (F) DANGEROUS GOODS means those commodities covered by the Dangerous Goods Regulations of the International Air Transport Association (IATA) or regulated for air transportation under Title 49 of the U.S. Code of Federal Regulations.
- (G) FORWARDER means Rogers & Brown Custom Brokers, Inc.
- (H) LEGAL HOLIDAYS means any National, State or Local Holidays legally observed in the locales where a rule referring to Legal Holiday(s) is invoked.
- (I) NUMBERS when connected by the word "to" shall include the numbers shown.
- (J) REFERENCES when made to tariffs, items, pages, notes, rules, etc., are continuous and include supplements thereto and revisions or re-issues thereof.
- (K) SHIPMENT means a single consignment of one or more pieces, from one shipper, at one time, at one address, receipted for in one lot and moving on one Forwarder air waybill to one consignee at one destination address.
- (L) CONSIGNOR or SHIPPER shall be used interchangeably to mean the party tendering the shipment to Forwarder for international air transportation whose name appears as Consignor or Shipper on Forwarder's air waybill.
- (M) CONSIGNEE means the person to whom the shipment is consigned and to whom, or to whose agent, Forwarder will deliver the goods.

### RULE NO. NON-WAIVER

Any failure by Forwarder to enforce or apply a term, condition or provision in this Tariff or in Forwarder's air waybill does not constitute a waiver of that term, condition or provision and does not otherwise impair Forwarder's right to enforce such term, condition or provision.

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## RULE NO. <u>NO WARRANTIES</u>

In providing the services covered by this Tariff and its air waybill, Forwarder makes no warranties, express or implied.

### RULE NO. FORWARDER AIR WAYBILL

- (A) The Consignor shall have the duty to provide Forwarder with accurate and compete shipping details and forwarding instructions. Upon receipt of such information, and on request of Consignor, Forwarder shall prepare a non-negotiable Forwarder air waybill. No Forwarder air waybill or other shipping document issued or accepted by the Forwarder shall be negotiable. All shipments, regardless of shipping documentation, are subject to the rules, regulations, rates, and charges applicable on the date of tender of the shipment to Forwarder.
- (B) The Forwarder Air Waybill and the tariffs applicable to the shipment shall inure to the benefit of and be binding upon the Consignor, the Consignee, and the Forwarder.

### RULE NO. <u>APPLICATION OF CHARGES</u>

- (A) (Except as otherwise provided herein, transportation charges for a shipment will be assessed on the gross weight *of* the shipment <u>based on the greater of</u>:
  - (1) the actual weight, or
  - the cubic dimensional weight determined in accordance with paragraph E of this rule.
- (B) Except as provided in paragraph F of this rule, charges will be assessed at the rates in effect on the day of acceptance of the shipment by the Forwarder.
- (C) In computing charges, fractions of less than one-half cent will be omitted and fractions of one-half cent or more will be considered as one cent.
- (D) Fractions of pounds will be assessed at the charge of the next higher pound. Fractions of inches would be rounded to the next higher inch.
- (E) Charges for shipments with overall measurement exceeding 166 cubic inches per pound will be assessed on the basis of one pound for each 166 cubic inches or fraction thereof. Cubic measurement will be based on the product of the length times width times height of the shipment.

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- (F) Rates and charges published herein are based on the least expensive direct air carriage meeting Forwarder's standards of performance. In the event shipment size, delivery time/date requirement, or other factors necessitate, forwarding, may be via a more expensive routing. Forwarder reserves the right to assess a higher rate based upon the actual direct air carriage expense.
- (G) In addition to the charges for services as outlined within this tariff, Forwarder will charge for all taxes (Federal, State, City, County, etc.) for which Forwarder is liable to collect and remit to the appropriate governmental authority.

### RULE NO. SHIPMENTS SUBJECT TO ADVANCE ARRANGEMENTS

The following will be accepted for carriage only upon Advance Arrangements and only when such Advance Arrangements have been satisfactorily completed:

- (A) Pieces having a floor bearing weight exceeding 150 pounds per square foot.
- (B) Any shipment having a declared value exceeding \$25,000.00.
- (C) Shipments of Articles of Extraordinary Value or Dangerous Goods
- (D) Shipments of wearing apparel, or garments on hangers
- (E) Shipments of Food Items
- (F) Bagged goods and commodities, break-bulk shipments
- (G) Ceramic Tile, Chinaware, Porcelain, Glassware and Crystal
- (H) Tubes of glass

### RULE NO. PICK UP AND DELIVERY SERVICE CHARGE

A fee for pickup and delivery services shall be assessed at the rates currently in effect at the time such service is performed. Current pickup and delivery rates may be obtained from Forwarder.

### RULE NO. PAYMENT OF CHARGES

- (A) All rates and charges are assessed and payable in lawful money of the United States.
- (B) All charges applicable to a prepaid shipment (i.e., a shipment on which the charges are to be paid by the Consignor) are payable in cash at the time of acceptance thereof by Forwarder and all charges applicable to a collect shipment (i.e., a shipment on which charges are to be paid by the Consignee) are payable in cash prior to delivery thereof by Forwarder.

EXCEPTION: Upon request of the Shipper or Consignee and upon proof of credit standing acceptable to the Forwarder, at the Forwarder's sole

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discretion credit may be extended for a period of 15 days from the date of billing by the Forwarder.

# RULE NO. PACKING AND MARKING REQUIREMENTS 11

- (A) Shipments must be so prepared or packed as to ensure safe transportation with ordinary care in handling.
- (B) Any articles 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 may be encountered in air transportation, such as high or low temperature, high or low atmospheric pressure, or sudden changes in either, must be adequately protected by proper packing and any other necessary measures.
- (D) All shipments of articles and commodities that are susceptible to leakage must be packed by shipper in solid, leak-proof boxes or inner containers such as heavy polyvinyl bags.
- (E) Each piece must be legibly and durably marked with the name and address of the consignor and consignee.
- (F) Pieces with a floor bearing weight in excess of 100 pounds per square foot must be provided with a skid or base which will reduce the floor bearing weight to 100 pounds or less per square foot. Such skid or base must be furnished by the consignor and included in the gross weight of the piece.
- (G) Packing, marking and labeling of hazardous materials/dangerous goods must comply with the Dangerous Goods Regulations issued by the International Air Transport Association (IATA).

## RULE NO. ROUTING AND RE-ROUTING

- (A) Forwarder shall have sole discretion to determine the routing of all shipments and the choice of underlining air carriers to perform the transportation. In exercising its discretion, Forwarder shall exercise due diligence to protect all property accepted for transportation.
- (B) In the absence of specific contrary instructions by the Shipper, including an instruction not to substitute any other carrier, or that the Forwarder must obtain the Shipper's consent before it substitutes any other carrier, the Forwarder may divert any shipment to common carrier surface transportation,
- (C) Shipments which, because of their nature, must be circuitously routed shall be subject to transportation charges based upon a combination of rates applicable to each leg of the route employed.

# RULE NO. <u>SHIPMENTS OF DANGEROUS GOODS</u>

(A) Shipper must comply with all governmental regulations of all jurisdictions to, from, or through which transportation may occur. Shipper must provide applicable information and documentation to comply with such regulations. Loss and/or expense associated with failure to comply with governmental regulations will be the sole responsibility of the Shipper.

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- (B) Shipper must ensure that all shipments must comply with packing, marking, labeling, and documentation requirements published in the current edition of the International Air Transport Association (IATA) Dangerous Goods Regulations.
- (C) The Forwarder reserves the right to refuse, hold, or return any shipment of dangerous goods it believes is in violation of federal, state, or local laws, or regulations; or fails to satisfy the requirements of the International Air Transportation Association's (IATA) Dangerous Goods Regulations; or is believed to pose a safety hazard; or would be illegal for the Forwarder to accept, transport, or store.
- (D) Shipments of Hazardous Waste, Radioactive Materials, Poisonous (Toxic) and Infectious Substances, and Explosives will not be accepted under any circumstances. The Consignor and Consignee are jointly and severally liable to the Forwarder for any loss, damage, delay, or penalties incurred by the Forwarder as a result of the carriage of dangerous goods consignments.
- (E) Forwarder is required by law to report improperly declared or undeclared shipments of dangerous or hazardous goods to the U.S. Department of Transportation. Penalties for such shipments may include fines of up to \$500,000 and five (5) years in jail. Federal regulations require that every shipper tendering hazardous or dangerous goods have job-specific dangerous or hazardous goods training prior to offering dangerous or hazardous goods shipment to an air carrier or air freight forwarder.
- (F) The Consignor and Consignee are jointly and severally liable to the Forwarder for any loss, damage, delay, or penalties incurred by the Forwarder as a result of the carriage of dangerous goods consignments.
- (G) A charge, in addition to charges for transportation shall be applied to each shipment of dangerous goods. The amount of such charge in effect at the time of each shipment may be obtained from Forwarder. See Rule No. 36.

### RULE NO. <u>COMPLETION OF TRANSPORTATION</u>

#### (A) General Rule.

Except as otherwise provided in this tariff, the Forwarder assumes no obligation to commence or complete transportation of a shipment within any specified time.

#### (B) Guaranteed Service.

If Shipper requires that delivery on a date certain be guaranteed by Forwarder, Shipper is required to give Forwarder specific notice of this request at the time of booking. In the event Forwarder is able to commit to such delivery schedule, it will notify Shipper accordingly and assess special rates in consideration of such guaranteed delivery, which rates may be obtained from Forwarder. In the absence of such notification by Forwarder, the provisions of Section (A) of this Rule shall govern. In the event the cargo is not transported in accordance with a guaranteed service schedule, Shipper's sole remedy will be a waiver or refund of the freight charges applicable to that shipment.

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### RULE NO. LEGAL LIABILITY COVERAGE, DECLARED VALUE, AND CHARGES THEREFOR 15

#### (A) <u>Carriage Subject to the Montreal Convention</u>, As Amended.

- (1) If the carriage by air involves an ultimate destination or stop in a country other than the country of departure the Montreal Convention (the Convention for the Unification of Certain Rules Relating to International Carriage By Air Done at Montreal, May 28, 1999) as amended, may be applicable.
- (2) The Montreal Convention limits Forwarder's liability for loss, delay, or damage unless the shipper declares a higher value for the carriage and pays additional charges as set forth below. When the Montreal Convention applies to a shipment, Forwarder's liability is limited to 17 Special Drawing Rights (SDRs) per kilo, which is equivalent to approximately US \$11.75 per pound (U.S. \$25.90 per kilo), which may be different subject to the exchange rate in effect at the time of calculation of damages.

#### (B) <u>Carriage Not Subject to the Montreal Convention</u>.

For all shipments not subject to the Montreal Convention, Forwarder's liability for loss, damage or delay shall be Fifty Cents (\$0.50) per pound, per piece, subject to a Fifty Dollar (\$50.00) minimum, with a maximum liability of One Thousand Dollars (\$1,000) per shipment unless a higher value is declared on the air waybill at the time of receipt of the shipment and the additional charges set forth below are paid.

#### (C) <u>Declared Value Requirements.</u>

- (1) The declared value on any shipment is limited to Twenty-Five Thousand Dollars (\$25,000) unless written approval is obtained from Forwarder's management, either in advance of each shipment, or as part of a written price and service agreement; provided that, shipments of commodities listed in Rule No. 18 (Shipments Not Acceptable and Shipments Conditionally Acceptable) as conditionally accepted shall be limited to a maximum declared value of Two Hundred Dollars (\$200).
- (2) The weight used to determine the declared value of a shipment shall be the same as that which is used to determine the transportation charges

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for such shipment. The declared value for carriage cannot be greater than the declared value for Customs purposes.

- (3) The Consignor hereby accepts the risk of any losses in excess of the declared value and understands that it may transfer this risk to an insurance carrier of its choice through the purchase of an insurance policy. Unless specifically requested in writing, Forwarder does not provide insurance coverage of any kind.
- (4) Supplementary Charges for Declared Value: A charge, in addition to the charges for transportation, of seventy five Cents (\$0.75) will be assessed for each One Hundred Dollars (\$100) or fraction thereof, by which the value declared on the air waybill at the time of Forwarder's receipt of the shipment from the consignor exceeds the limitation of liability that would otherwise be applicable.
- (5) When there is more than one package in a shipment for which a declared value has been made, the declared value for each separate package will be determined by dividing the total declared value by the number of packages unless there has been a specific declared value made for each package.

#### (D) Exclusions.

- (1) Forwarder shall not be liable for any loss of, damage to, or delay, misdelivery, or non-delivery of non-acceptable shipments or conditionally acceptable shipments, which have not been agreed to by Forwarder under Rule No. 18 (Shipments Not Acceptable and Shipments Conditionally Acceptable).
- (2) Forwarder shall not be liable for any loss, damage or delay to any package that is not adequately and properly packaged or marked by the Consignor.
- (3) Forwarder shall not be liable for declarations of excess value that exceed the maximum amounts set forth above.
- (4) Forwarder's acceptance of such shipments shall not be deemed to be a waiver of any provision of this Tariff applicable to such shipments.
- (5) Forwarder's total liability for loss, damage or delay to any shipment shall not, in any case, exceed the shipments repair cost, its depreciated value, or its replacement cost, whichever is less.
- (6) The declared value of a shipment may not be altered after receipt of the shipment by the Forwarder.

# RULE NO. <u>SHIPMENTS SUBJECT TO SPECIAL CONDITIONS</u> 16

Shipments requiring special devices for safe handling will be accepted only when such devices are provided and operated by and at the expense of the Shipper or Consignee.

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# RULE NO. <u>INSPECTION OF SHIPMENTS</u> 17

Forwarder may, at its sole discretion, open and inspect any shipment without notice to Consignor or Consignee. Governmental authorities may also open and inspect any shipment at any time.

## RULE NO. <u>SHIPMENTS NOT ACCEPTABLE AND SHIPMENTS CONDITIONALLY ACCEPTABLE</u> 18

- (A) The following shipments will NOT be accepted:
  - 1. Corpses, cremated or disinterred human remains.
  - 2. Live animals.
  - 3. Cut flowers, plants, nursery stock, fruits, vegetables, or perishable foods.
  - 4. Shipments consigned "To Order Of", or "To Order -Notify".
  - 5. Shipments not accompanied by proper documentation, applicable licenses and the necessary information as required by a convention, statute, Federal regulation, the Federal Aviation Administration, or tariff applicable to such shipments.
  - 6. Shipments improperly packed, or packaged.
  - 7. Shipments of an inherent nature or defect which indicate to the Forwarder that such transportation could not be furnished by the Forwarder without loss or damage to the shipment.
  - 8. Shipments which require the Forwarder to obtain a Federal, State, or local license for their transportation.
  - 9. Shipments requiring special care or attention between origin and destination.
  - 10. Shipments not expressly covered by these rules, or by the tariff, which, in Forwarder's sole discretion, would be likely to cause damage to other shipments, equipment, drivers, crew, passengers, motorists, or the carriage of which is prohibited bylaw.
  - 11. Shipments of hazardous waste, radioactive materials, poisonous (Toxic) and infectious substances, or explosives.
  - 12. Shipments of Firearms.
  - 13. Shipments to or from those countries with which the United States currently forbids trade.
  - 14. Any of the following Articles of Extraordinary Value:
  - 15. Bonds
  - 16. Bullion
  - 17. Currency/Credit Cards
  - 18. Deeds
  - 19. Dore Bullion
  - 20. Evidences of Debt
  - 21. Fur Clothing, Fur Trimmed Clothing and Fur Pelts
  - 22. Gem Stones, cut or uncut Gold Bullion, coined, uncoined, cyanides, dust or sulfides.
  - 23. Bills of Exchange

- 24. Jewelry, including costume jewelry
- 25. Money
- 26. Pearls
- 27. Platinum
- 28. Precious metals, except when incorporated into manufactured articles or components where the precious metal's use is functional, rather than decorative or ornamental.

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- 29. Promissory Notes
- 30. Securities, negotiable
- 31. Silver Bullion, coined or uncoined, concentrates, cyanides precipitates or sulfides
- 32. Stamps, revenue or postage
- (B) The following shipments will be conditionally accepted when the declared value does not exceed Two-Hundred Dollars (\$200.00):

Art Works and supplies, including Paintings, Drawings, Etchings, Water Colors, Tapestries, Murals, and Sculptures

Articles of Antiquity (Antiques)

Artifacts, archeological

Clocks

**Coin Collections** 

Household Goods and Furniture, used, cartoned

Jewelry, including costume jewelry

Musical Instruments

Original Copies, including audio tapes, video tapes, magnetic tapes, computer tapes, discs, and diskettes, punch cards, microfilm, microfiche, manuscripts, drawings, and blueprints

Personal Effects Prototypes and Models

Film, photographic images, including photographic negatives, photographic chromes and photographic slides

Stamp Collections

Watches

# RULE NO. SHIPMENTS ACCEPTABLE 19

Property is acceptable for transportation only when the rules and regulations of the tariffs and all laws, ordinances, and other governmental rules and regulations governing the transportation thereof have been complied with by the Consignor or Consignee, or both.

# RULE NO. <u>STORAGE</u> 20

- (A) Shipments will be held by the Forwarder at destination without charge for twelve (12) hours following notification to the consignee of the arrival of the shipment.
- (B) After the expiration of such free time, if the goods remain in Forwarder's possession or custody for any reason - including, without limitation, delays occasioned by governmental regulations - Forwarder may at its election agree to continue to hold such shipments for the Shipper or Consignee, subject to charges that can be obtained from Forwarder. If such continued holding is not practicable, the Forwarder will place the shipment in a public warehouse at the

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expense of the shipper and consignee, subject to a lien for all transportation, storage, delivery, warehousing and other charges, including handling charges that can be obtained from Forwarder.

- (C) When a shipment is held by the Forwarder after the expiration date of such free time, the Forwarder's liability shall be reduced to that of a warehouseman and when the shipment is placed in a public warehouse, Forwarder's liability for the shipment will terminate.
- (D) Shipments will be held for a period of time not to exceed thirty (30) calendar days from the first 8:00 A.M. following the receipt of the shipment. At the expiration of thirty (30) calendar days, the Forwarder may return the shipment, or part of the shipment, to the Shipper at the Shipper's expense subject to a lien for all charges applicable to the shipment or part thereof.
- (E) The provisions of Rule No. 26 shall apply to all shipments stored pursuant to this Rule.
- (F) Calendar week, for the purpose of this rule, means a period of seven (7) successive calendar days, including Saturdays, Sundays, and Legal Holidays.

## RULE NO. <u>LIABILITIES NOT ASSUMED</u> 21

- (A) The Forwarder shall not be liable for any loss, damage, delay, misdelivery, or nondelivery or other result not caused by its own negligence.
- (B) Without limiting the generality of Paragraph (A) of this Rule, the Forwarder shall not be liable for any loss, damage, delay, misdelivery, or nondelivery, or other result to the extent caused by:
  - (1) The act, default or omission of the Consignee, Consignor, or any other party claiming an interest in the shipment.
  - (2) The inherent defect, quality or vice of the cargo.
  - (3) Defective packing of the cargo.
  - (4) Acts of God, perils of the air, public enemies, public authorities acting with actual or apparent authority on the premises, authority of law, quarantine, riots, strikes, civil commotions, hazards incident to a state of war, or weather conditions.
  - (5) Acts or omissions of any person other than the Forwarder, including compliance with delivery instructions from the Consignor or Consignee.
  - (6) The act, default or omission of the underlying direct air carrier with whom the cargo was booked.
- (C) The Forwarder shall not be liable in any event for any consequential or special damages (including, but not limited to, loss of profits, income, utility, interest or use of market) arising from international transportation whether or not the

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Forwarder had knowledge that such damages might be incurred.

### RULE NO. <u>SHIPMENTS INVOLVING SURFACE TRANSPORTATION IN MEXICO</u> 22

- (A) Unless otherwise covered by the provisions of the Montreal Convention (see Rule 15), Forwarder's liability for loss or damage to cargo for shipments to or from Mexico shall be limited to loss or damage occurring solely during that portion of the transportation occurring within the United States. Forwarder's maximum liability for such loss or damage to a shipment or part thereof as a result of its negligence shall be \$.50 per pound with a maximum of \$500.00 per air waybill. Forwarder shall have no liability for goods damaged or destroyed as a result of improper wrapping or packaging.
- (B) Forwarder will arrange, as agent for the Shipper, for that portion of the transportation services occurring in Mexico and shall use reasonable care in the selection of third parties to perform those services. Forwarder does not assume responsibility or liability for any action(s) and/or inaction(s) of such third parties or their agents, and shall not be liable for any loss, damage, or delay that occurs while the shipment is in the custody or control of the third party or the agent of a third party. All claims in connection with loss, damage, or delay in Mexico shall be bought by Shipper against the party or parties performing the services in Mexico during which the loss, damage or delay occurred.
- (C) Shipper and Forwarder expressly agree that, notwithstanding any international through bill of lading pursuant to which transportation in Mexico is performed and notwithstanding any term, condition or provision to the contrary that may exist in any other written agreement between the parties or a tariff, the terms and conditions contained in this document shall be controlling with respect to shipments to or from the Republic of Mexico.

# RULE NO. <u>LIABILITY FOR CHARGES</u> 23

- (A) The Shipper, Consignee, Notify Party and all other persons claiming a beneficial interest in the cargo shall be liable, jointly and severally:
  - (1) for all unpaid charges payable for a shipment;
  - (2) to pay or indemnify Forwarder for all claims, fines, penalties, damages, costs or other sums which may be incurred by Forwarder by reason of any violation of the terms of applicable tariffs or any other default of the Shipper, Consignee or their respective agents,
  - (3) for all costs and reasonable attorney fees incurred in the event Forwarder has to retain an attorney or commence legal proceedings to enforce any portion of, or all of this contract.
- (B) A shipment for which charges are to be paid by a party other than the Shipper or Consignee will be accepted provided that the Shipper has established credit with the Forwarder and the Shipper guarantees to pay the charges if the other party fail to do so.

# RULE NO. <u>DESCRIPTIONS</u> 24

(A) Contents of shipments must be indicated by accurate description on Forwarder's air waybill and Shipper shall hold Forwarder harmless and indemnify it for all claims, demands, judgments, costs, fines or penalties arising from a breach of this obligation.

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(B) The number of pieces included in a shipment must be specified on the Forwarder's air waybill.

### RULE NO. <u>CLAIM PROCEDURE</u> 25

- (A) The person entitled to delivery of goods must make a complaint to Forwarder in writing within the following time periods:
  - (1) In the case of damage to the goods, immediately after discovery of the damage and at the latest within fourteen (14) days from receipt of the goods;
  - (2) In the case of delay, within twenty-one (21) days of the date the goods were scheduled to be placed at the disposal of the person entitled to delivery; and

If no written complaint is made within these time periods, no action shall lie against Forwarder.

- (B) All claim notices must contain the shipment particulars, including Consignor and Consignee information, air waybill number, date of the shipment, shipment weight and number of pieces in the shipment as well as a detailed description of the damages. Written documentation supporting the amount of the claim should be delivered to forwarder within thirty (30) calendar days after submission of the notice of claim. Forwarder may extend the time period for submitting written documentation upon request for good cause demonstrated by the claimant.
- (C) All transportation charges must be paid before Forwarder will take action on any claims. Claim amounts may not be deducted from, or set off against, transportation charges.

## RULE NO. <u>FORWARDER'S LIEN</u> 26

The Forwarder shall have a lien on every shipment for all sums due and payable to Forwarder with regard to the shipment on which the lien is claimed, a prior shipment(s) involving the same Consignor or Consignee, or both. In the event of nonpayment of any sums payable to Forwarder, the Forwarder will hold the shipment subject to storage (as provided in Rule No. 20) and/or dispose of the shipment at public or private sale, after giving the Shipper at the address stated on the air waybill 10 days notice of its intention to dispose of the shipment at such sale, and paying itself out of the proceeds of such sale sums due and payable, including storage charges.

## RULE NO. <u>TIME LIMIT FOR FILING SUIT</u> 27

(A) In cases of shipments covered by the Montreal Convention, all rights to damages against Forwarder 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 transportation stopped.

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(B) In cases of shipments not subject to the Montreal Convention, as amended, any rights to damages against Forwarder shall be extinguished unless an action is brought within one year 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 transportation stopped.

# RULE NO. <u>INDEMNIFICATION</u> 28

The Consignor and Consignee shall be liable, jointly and severally, to pay or indemnify the Forwarder for all claims, fines, penalties, damages, costs or other sums which may be incurred, suffered or disbursed by the Forwarder by reason of any violation of any of the rules contained in applicable tariffs or any default of the Consignor or Consignee, their agents, employees representatives and assigns, with respect to a shipment.

## RULE NO. <u>NOTICE AND DISPOSITION OF PROPERTY</u> 29

- (A) Forwarder will promptly notify Consignee of arrival of a shipment except when delivery service is to be provided by the Forwarder.
- (B) If, at the expiration of the free storage time provided in Rule No. 20 (Storage), a shipment containing non-perishable property is unclaimed or delivery cannot be effected, the Forwarder will so notify the Consignor and Consignee by mail, at the address shown on the air waybill. Upon written instructions from the Consignor, the Forwarder will return the shipment to the Consignor, forward or re-consign it, or otherwise dispose of it, all at the Consignor's expense. If no such instructions are received within 30 days after the date of mailing such notice, the Forwarder will dispose of the shipment at public or private sale.
- (C) If a Consignor or Consignee desires notification by collect telephone or telegram when a shipment containing perishable property is delayed in the possession of the Forwarder, threatened with deterioration, or unclaimed, or delivery cannot be effected, authorization and instructions for such notification, including the name, telephone number, and or address of the party to be notified, shall be given on the air waybill. If such authorization and instruction are not given, or if, after reasonable attempt to comply therewith, the Forwarder does not promptly receive further instructions concerning the disposition of the shipment, the Forwarder will take such steps as due diligence requires for the protection of all parties in interest, including rerouting the shipment by other means of transportation, subject to Rule No. 12 (Routing and Re-Routing), or disposal of the shipment, at pubic or private sale, without further notice to the Consignor or Consignee.
- (D) No sale or disposal pursuant to this rule or Rule No. 26 (Forwarder's Lien) shall discharge any liability or lien to any greater extent than the proceeds thereof, less

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selling expenses if any, and the Consignor and Consignee shall remain liable, jointly and severally, for any deficiency.

# RULE NO. THROUGH RATES TAKE PRECEDENCE OVER COMBINATIONS OF INTERMEDIATE RATES

When a rate is established for application from an origin point to a destination point for a specified service, such a rate is applicable notwithstanding that it is higher or lower than any combination (aggregated) of immediate rates for such specified service.

# RULE NO. <u>SHIPMENTS SUBJECT TO DELAY</u> 31

Notwithstanding any service commitments made by Forwarder at the time of booking or issuance of an Air Waybill, shipments may be subject to delays for reasons beyond Forwarder's control, including but not limited to the following:

- (A) Shipments incompletely or improperly documented.
- (B) Shipments subject to Advance Arrangements for which no Advance Arrangements were made.
- (C) Shipments with incomplete marking, and/or improper packaging.
- (D) Shipments with routing instructions that constrain the Forwarder's transportation options.
- (E) Shipments of dangerous goods, when:
  - (1) the terms detailed in Rule No. 13 (Shipments of Dangerous Goods and Other Regulated Commodities) are not met by the shipper, or are invoked by the Forwarder; or
  - the airline refuses the shipment outright, or refuses to board the shipment on a flight.
- (F) Shipments subject to the terms in Rule No. 21 (Liabilities Not Assumed).
- (G) Shipments with dimensions that are of such a nature that the shipment will not fit on expedient modes of conveyance. or are subject to carrier tariff delay clauses.
- (H) Shipments tendered to the Forwarder by beyond carriers that fail to meet airline or Forwarder's receipt-for-flight deadlines.
- (I) Shipments that are booked by Forwarder on direct air carriers that fail to perform in accordance with those booking commitments.
- (J) Force Majeure.
- (K) Shipments delayed by government-mandated security regulations.

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RULE NO. 32 CHARGES FOR FURNISHING PROOF OF DELIVERY AND FOR COPY OF AN AIR WAYBILL

The Forwarder will furnish copies of delivery receipts on request, subject to a charge of \$10.00, except when copies are in defense of a written claim.

RULE NO. 33 COMPLIANCE WITH EXPORT CONTROL LAWS

Consignor and Consignee warrant their compliance with all applicable laws, rules and regulations, including, but not limited to, the export laws and government regulations of any country to, from, through, or over which a shipment may be carried. In particular, and without detracting from the generality of the foregoing, Consignor and Consignee warrant that they are not on, and will not ship goods to persons on, the Specially Designated Nationals and Blocked Persons List maintained by the United States Treasury Department and that they are not on, and will not ship goods to any person on, the Denied Persons List maintained by the U.S. Department of Commerce. Consignor will supply all information and such documents, including copies of export licenses, as are necessary to comply with export laws.

RULE NO. 34 COMPLIANCE WITH ADVANCED NOTIFICATION REQUIREMENTS

Consignor and Consignee warrant that they will supply all information necessary to enable Forwarder to meet any of its obligations to provide advance or prior notice of U.S. import shipments to the appropriate United States government agencies, including, without limitation, Customs and Border Protection and the Food and Drug Administration.

RULE NO. 35 AVAILABILITY OF TARIFFS AND OTHER INFORMATION / LOCATION OF FORWARDER'S OFFICES

Copies of Forwarder's current tariff and standard rates and fees currently in effect are available on Forwarder's website at <a href="http://www.rogers-brown.com/airtariff.pdf">http://www.rogers-brown.com/airtariff.pdf</a> or at any of the following offices of Forwarder. These office locations are as follows:

2 Cumberland St. Charleston, SC 29401 Phone: (843) 577-3630 Fax: (843) 720-8911 Contact: Bo Brown

150 West Phillips Road Suite L Greer, South Carolina 29650 Phone: (864) 879-2157 Fax: (864) 879-7896 Contact: Tanya Burton