

ALG WORLDWIDE LOGISTICS, LLC TERMS AND CONDITIONS OF CONTRACT

The Shipper agrees that carriage and other services performed hereunder are subject to these conditions AND to the rates, rules, and classifications set forth in ALG Worldwide Logistics, LLC (ALGWW) recently effective Rules and Regulations Tariff ALGW1000 (herein referred to as "Tariff"), service guide, or supplement, which are available for inspection and incorporated into this contract by reference. ALGWW Rules and Regulations Tariff is available to the public for review via the Internet at www.algworldwide.com. The below is a summary of certain portions of ALGWW's Rules and Regulations Tariff ALGW1000.

SERVICES:

- 1) Air Transportation:
 - A) Domestic expedited transportation provided indirectly through forwarding services by authorized indirect air carrier (airfreight forwarder) service following the guidelines of the Transportation Security Administration.
 - B) International air transportation provided indirectly through forwarding services by authorized indirect air carrier (airfreight forwarder) service following the guidelines of International Air Transport Association ("IATA") and prior, subsequent or substituted movements by motor carrier pursuant to 49 USC § 13506(a)(8)(B).
- 2) Surface Transportation:
 - A) Freight Forwarding is provided using a motor carrier or rail carrier and assuming responsibility for the transportation from the place of receipt to the place of destination.
 - B) Motor Carriage is provided by a motor carrier for hire assuming responsibility for an origin to destination providing responsibility for direct service or assuming responsibility indirectly on shipments of a freight forwarder, an indirect air carrier, a non vessel ocean common carrier or a railroad transported intermodal shipment.
 - C) Rail Intermodal transportation is arranged through the use of the combined intermodal services of railroads, equipment providers, cartage companies and intermodal service companies commonly known as intermodal marketing companies.
 - D) Brokerage is provided using an entity, that as a principal sells, offers for sale, negotiates for, or holds itself out by solicitation, advertisement, or otherwise as selling, providing, or arranging for, transportation by motor carrier for compensation.
 - E) Rail transportation is arranged with railroads using open rates and contracts.
- 3) Ocean Transportation:
 - A) Ocean Transportation is arranged or provided by an Ocean Transportation Intermediary acting as an Ocean Freight Forwarder ("OTI")
 - B) Ocean Transportation is arranged or provided by a Non Vessel Ocean Common Carrier ("NVOCC").
- 4) Pre-Postal Production Services
 - A) Co-Mailing: Unique mechanized process which processes U.S. mailings by merging multiple titles or publications from its clients into a much larger mailing, which increases eligibility for Carrier Route and automation discounts from the U.S. Postal Service for its clients.
 - B) Co-Palletization: Unique mechanized operation, which processes trays of U.S. standard letter mail, which have already been addressed and presorted, onto pallets in order to obtain drop ship discounts from the U.S. Postal Service for its clients.
 - C) Unique data processing that coordinates the processing of U.S. Mailings.
- 5) Warehousing and Special Services
 - A) Warehousing: Provided by a warehouseman issuing a receipt for product received.
 - B) Special Services: Including but not limited to assembly service, distribution service, signature service, delivery reports, storage, over-packing, and auxiliary services.
- 6) Claim Management Services
 - A) ALGWW shall provide claims coordination services to all entities using its services

ARRANGER OF SERVICES:

ALG Worldwide Logistics, LLC shall be solely an arranger of services and those functions include solely those functions as an arranger of services and no others and all other responsibilities or risks are those of the party providing service(s). ALG Worldwide Logistics, LLC shall act on behalf of any shipper or entity and as such has arranged for services availability, credit terms, claims responsibility and rate by having providers of services, hereinafter referred to as "SERVICE PROVIDER" certain and named hereafter, as amended from time to time, who have adopted the Tariff containing the freight terms, rules and regulations of each SERVICE PROVIDER that pertain to all rates (inclusive of single shipment flat rates) pursuant to the obligations of 49 USC § 13710 (a) and other applicable statutes and regulations. ALG Worldwide Logistics, LLC possesses a license for motor carrier broker operations contained in Docket # 538897 of the Federal Motor Carrier Safety Administration ("FMCSA") and, as such, does not and will not assume any liability for services, including specifically, but not limited to warehousing and cargo liability of any type and kind. ALG Worldwide Logistics LLC shall be known as ALGWW herein.

PROVIDER OF SERVICES:

- 1) The following providers of services have adopted the Tariff as the governing and controlling rules and regulations Tariff for all services contracted and provided an entity that shall exclude ALGWW and as defined in the Tariff as "Shipper":
 - A) Admiral Air Express, Inc. acts to provide services pursuant to the Tariff as a surface freight forwarder pursuant to authority contained in Docket # FF 2063 of the FMCSA, as an Ocean Transportation Intermediary (Ocean Freight Provider and Non Vessel Ocean Common Carrier) pursuant to Docket # 920618 of the Federal Maritime Commission, as an Indirect Air Carrier (Air Freight Provider) pursuant to license issued by the Transportation Security Administration, special services, and warehousing pursuant to # 500468 of the Illinois Department of Agriculture, and as such, performs indirect air carrier transportation, indirect rail and motor carrier transportation, indirect ocean carrier transportation, special services, and warehousing, with direct responsibility for all liabilities and service provided. Admiral Air Express, Inc. shall be known as service provider.
 - B) American Logistics Group, Inc acts to provide services pursuant to the Tariff as a surface freight forwarder pursuant to authority contained in Docket # FF 2586 of the FMCSA, special services, and warehousing pursuant to # 500467 of the Illinois Department of Agriculture, and as such, performs indirect rail and motor carrier transportation, special services, and warehousing, with direct responsibility for all liabilities and service provided. American Logistics Group, Inc shall be known as service provider.
 - C) Print and Mailing Solutions, LLC (PAMS) acts to provide services pursuant to the Tariff as a Pre-Postal Production provider for printers of US Mail including co-mailing, co-palletization/Ink Jet, and related data processing services, pursuant to authority issued by the United States Postal Service (USPS) to operate under Operational Procedures (OP), as evidenced under Customer Service Agreement (CSA) # 3073978 and Customer Registration Identification Number # 5077274, and by assigning a Detached Mail Unit (DMU) to operate within the PAMS facility, and as such, performs co-mailing, co-palletization/Ink Jet, and related data processing services, with direct responsibility for all liabilities and services provided. PAMS shall be known in this Tariff as service provider.

ARRANGEMENT AND PROVISION OF SERVICES:

- 1) The arrangement of services and the provision of services are two distinct responsibilities with distinct areas of liability as outlined below:
 - A) Arrangement of Services:
 - 1) The arrangement of services allows a service offering through a single source that provides the following functions:
 - (a) The acceptance of a request for service;
 - (b) The determination of the appropriate mode of service with a recommendation as to the method to the entity requesting service;
 - (c) The solicitation, negotiation and securing of rates and services from service provider for the benefit of the entity requesting service;
 - (d) The compilation of all costs of service, payment of all costs to service providers and the documentation of the service provided;
 - (e) The invoicing to and collection of all services from the entity requesting service, soliciting any requested credit and accepting the obligation for the payment of the service provided; and,
 - (f) The facilitation of any claim filing by the entity requesting service or the entity having the right to file a claim and resolve that claim.
 - B) Provision of Services:
 - 1) The provision of services with the assumption of responsibility of the services performed, and the risks incidental to the service performed including at the least, but not limited to, the following:

- (a) The responsibility for product received;
- (b) The responsibility for all claims subject to the terms applicable thereto in the Tariff;
- (c) The exclusive liability (excluding any liability for any such claim on the part of the entity arranging transportation), if any, for all claims subject to the terms applicable thereto in the Tariff; and,
- (d) The service responsibility includes a motor vehicle, rail vehicle, ocean vessel, warehouse, wharf, pier, dock, yard, property, facility, instrumentality, or equipment of any kind related to the movement of property, and services related to the arranging for, receipt, delivery, transfer in transit, protection of shipment, storage, handling, packing, unpacking, and interchange of all property on a shipment.

CLAIMS MANAGEMENT:

- 1) ALGWW shall provide claims coordination services to all entities for whom it arranges transportation, warehousing, and Pre-Postal Production services by:
 - A) Accepting claims as an accommodation and not as a responsible entity to the shipper or other similar claiming entity;
 - B) Forwarding claims received to the applicable SERVICE PROVIDER;
 - C) Relaying information to/from any applicable party in an effort to expedite and resolve the claim;
- 2) ALGWW possesses authority as an arranger of services, and does not act in any capacity as a provider of services, therefore there is no direct claim liability assumed by ALGWW. Any shipper or entity using ALGWW services expressly recognizes this as a material condition and shall indemnify and hold ALGWW harmless (inclusive of legal fees and costs) from any costs arising from an assertion of claim liability against ALGWW.

GENERAL:

- 1) The Rules and Regulations Tariff explains ALGWW services. Exceptions to any of the items in this publication will be noted in customer specific pricing agreements, statements of agreed pricing or contracts that apply for individual customers. ALGWW will secure from a SERVICE PROVIDER, in accordance with the SERVICE Provider's obligations under the Interstate Commerce Commission Termination Act, Section 13710, and will provide to the shipper, on request of the shipper, this publication or any other written or electronic copy of the rate, classification, rules and practices. In addition, this publication, which binds SERVICE PROVIDER, appears on ALGWW's Internet site and may be accessed at any time, by any party without cost. (www.algworldwide.com).
- 2) Waiver of Provisions: Failure on the part of ALGWW and/or SERVICE PROVIDER, or any agent or employee of SERVICE PROVIDER in any or more than one instance, to insist upon the performance of any terms, covenants, or conditions of these Rules and Regulations, or to exercise any right or privilege contained within these Rules and Regulations, or the waiver by ALGWW and/or SERVICE PROVIDER of any breach of any other terms, covenants, or conditions of these Rules and Regulations shall not be construed as waiving any such terms, covenants, conditions, rights or privileges, but the same shall continue and remain in full force and effect, the same as if no such forbearance or waiver occurred, nor shall any single or partial exercise of any right or remedy hereunder preclude any other future exercise of any right or remedy granted hereby or by any related document or law. If any provision of the Tariff, or the application thereof to any party or circumstance shall be determined by any court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of the Tariff, or the application of such provision to any entity or person or circumstance other than that which is determined to be invalid or unenforceable, shall not be affected thereby. Each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.
- 3) ALGWW reserves the right to modify, amend or supplement the rates, features of service, services, terms and conditions and Tariff to all customers without notice and will secure concomitantly an adoption by a participating SERVICE PROVIDER. All modifications, amendments or supplements may only be authorized by the President of ALGWW and no other agent or employee of ALGWW, nor any other agent or party is authorized to do so.
- 4) To the extent, if any, that conflict or inconsistency exists between these Rules and Regulations and the terms or conditions of any bill of lading, manifest, stamp, shipping label or other documentation, the Rules and Regulations Tariff ALGW1000, as amended, modified, changed, or supplemented, will control as between a shipper, entity requesting service, third party, ALGWW and any involved SERVICE PROVIDER.
- 5) Rates and service quotations by ALGWW and SERVICE PROVIDER's employees and agents will be based upon information provided by the entity requesting service, but final rates and service will be based upon product actually received and the application of the Rules and Regulations herein.
- 6) In an effort to provide shippers, third parties and consignees with quality service and competitive rates, commodities are shipped at less than full value. ALGWW encourages its customers to review this publication as items are subject to limitations of liability, released value or other requirements, which may relate directly to your shipment. Therefore, all shippers are further encouraged to evaluate their personal or corporate cargo insurance policies so they may ship their goods at the lowest possible rate while still being insured for full value.

- 7) Except as otherwise provided in Tariffs governed hereby, ALGWW's assumes no obligation to arrange for the commencement by a SERVICE PROVIDER of transportation of a shipment within a specified period. All transportation services will be provided within reasonable dispatch.
- 8) ALGWW reserves the right to arrange for the diversion of any shipment in order to facilitate delivery. The transportation charges will be the freight charges from origin to destination via the route and level of service requested on the bill of lading, transit documentation or other shipping memorandum.
- 9) The shipper, consignee, 3rd party, entity requesting service and/or beneficial owner will be liable, jointly and severally, to pay the SERVICE PROVIDER through ALGWW or indemnify ALGWW and/or its SERVICE PROVIDER by any reason of any violation of any of the terms contained in applicable Tariffs.
- 10) Construction and Interpretation. In the event an ambiguity or question of intent or interpretation arises, the Tariff shall be construed as if drafted jointly by ALGWW, SERVICE PROVIDER, Carrier, Shipper, Consignee, Third Party, entity requesting service or Beneficial Owner, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of the Tariff. Any reference to any federal, state, local or foreign statute, law or ordinance shall be deemed also to refer to all rules and regulations promulgated thereunder.
- 11) Unless otherwise provided, requests for changes to service must be in writing. ALGWW and/or SERVICE PROVIDER will accept no oral modifications.
- 12) The signature of ALGWW in any capacity or by SERVICE PROVIDER on shipping documentation only acknowledges receipt of freight. Terms and Conditions of the Tariff shall always apply.
- 13) ALGWW makes no warranties oral or written, express or implied with respect to any services provided and its liability is limited as set forth herein.
- 14) It is the responsibility of the shipper to ensure that a shipment tendered to SERVICE PROVIDER does not violate any federal, state or local laws or regulations applicable to the shipment.
- 15) Nothing in the Tariff shall require ALGWW to arrange for a SERVICE PROVIDER to perform pickup or delivery service at any location from or to which it is impracticable, through no fault or neglect of ALGWW or SERVICE PROVIDER.
- 16) The terms and conditions of the Tariff shall apply to all shipments arranged by ALGWW and handled by SERVICE PROVIDER regardless of whether same are subject to economic regulation or whether the shipments moves in interstate, intrastate, or foreign commerce.
- 17) Proper packing of cargo for transportation is the responsibility of the shipper and only the shipper is aware of the manner in which goods have been packaged.
- 18) The shipper shall prepare and present a bill of lading or other form of freight receipt and may provide additional shipping documentation with each shipment tendered. Any terms or conditions of the bill of lading or additional shipping documentation shall not apply if they are inconsistent with the Rules and Regulations of ALGWW as they supplement the Tariff. SERVICE PROVIDER or SERVICE PROVIDER's agent's signature does not constitute acceptance of any terms which may vary from ALGWW Rules and Regulations and continued use will not, and does not, constitute an implied acceptance or ratification by ALGWW. Failure by SERVICE PROVIDER, SERVICE PROVIDER's agents and/or the shipper to sign the shipping documentation does not negate the Rules and Regulations contained herein. Each shipment tendered for transportation to SERVICE PROVIDER will be subject to ALGWW Rules and Regulations Tariff in effect on the date SERVICE PROVIDER accepts the cargo.
- 19) Rates provided contemplate loading of the freight by the shipper and the unloading of the freight by the consignee, except that if the shipper or consignee requests and SERVICE PROVIDER furnishes extra labor to load or unload the vehicle, all charges for such labor are to be paid by the shipper or consignee, and will be billed accordingly.
- 20) It is the sole responsibility of the consignee at the time of delivery to note on the shipping documentation (delivery receipt) any exceptions to the shipping containers that would indicate a discrepancy (shortage in the shipment, damage to the containers, or possible damage to the contents of the containers). If shipping containers appear to be in good condition, the consignee must accept the entire shipment and may not open any shipping container to verify or inspect the contents until the consignee signs the delivery receipt. Such notations as "subject to inspection" and "subject to recount" are not exceptions.
- 21) SERVICE PROVIDER, at its sole discretion, reserves the right, but is not required to open and inspect any shipment without notice.
- 22) The Transportation Security Administration (TSA) requires that all cargo tendered for air transportation is subject to screening by the Indirect Air Carrier, the Air Carrier or the TSA. Upon tendering cargo for air transportation, the shipper consents to the screening of cargo including opening and inspection of the shipment. It is further understood and agreed that SERVICE PROVIDER shall not be liable for delay due to inspection of cargo.
- 23) Shipments accepted under special conditions as defined by Item 300 of the Rules and Regulations will only be accepted when the shipper contacts ALGWW and Advance Arrangements have been made with ALGWW. If SERVICE PROVIDER receives a shipment without Advance Arrangements being made, SERVICE PROVIDER's legal liability will not exceed \$0.50 per pound of product damaged and/or lost, or a maximum of \$5,000.00, whichever is less, regardless of the declared/released value or insured value for exports, and in cases where the article is restricted by governing

- federal, state, or local laws, regulations or ordinances, the shipper is solely responsible for and will reimburse and indemnify ALGWW and SERVICE PROVIDER for any expenses it incurs in connection with the shipment.
- 24) It is agreed and understood that SERVICE PROVIDER's maximum liability for a shipment shall not exceed \$50,000 per shipment, inclusive of transportation cost, unless approved in writing, in advance of shipment tender, by ALGWW's Director of Risk Management; provided, at no time, including any special circumstances is ALGWW liable for cargo damage.
- 25) Prohibited Articles not accepted for transportation: As defined in Item 310 of the Rules and Regulations Tariff, these articles are NOT acceptable for the arrangement of transportation by ALGWW, unless approved in writing by ALGWW's Director of Risk Management. If SERVICE PROVIDER receives a prohibited article for transportation, SERVICE PROVIDER's legal liability will not exceed \$0.10 per pound of product damaged and/or lost, or a maximum of \$5,000.00 per shipment, whichever is less, regardless of declared/released value or insured value for exports, and in cases where the article is restricted by governing federal, state or local laws, regulations or ordinances, the shipper is solely responsible for and will reimburse and indemnify ALGWW and SERVICE PROVIDER for any expenses it incurs in connection with the shipment.
- 26) Restricted Articles, Hazardous and Dangerous Goods: As defined in Item 320 of the Rules and Regulations Tariff, it is the general policy of ALGWW NOT TO arrange Hazardous and Dangerous goods for transportation. ALGWW, under specific guidelines, accepts the arrangement of transportation and warehousing of certain restricted articles. Restricted Articles will only be accepted for transportation if written authorization from ALGWW's certified Hazardous Materials employee and Advance Arrangements have been made with ALGWW. If ALGWW inadvertently arranges a shipment of hazardous and/or dangerous goods without written authorization from ALGWW's certified Hazardous Materials employee and Advance Arrangements being made, ALGWW and SERVICE PROVIDER will not accept any liability for damage and or loss, and in cases where the article is restricted by governing federal, state or local laws, regulations or ordinances, the shipper is solely responsible for and will reimburse and indemnify ALGWW and SERVICE PROVIDER for any expenses it incurs in connection with the shipment.
- 27) Warehousing Limitation of Damages: The depositor declares that damages are limited to \$0.10 per pound of lost or damaged product, however, such liability may be increased on all of the goods, upon written request by the depositor within 5 calendar of receipt by the warehouseman, in which event a monthly charge of two tenths of one percent per month on the excess valuation will be made in addition to the regular monthly storage charge. Property stored has not been insured by the warehouseman for the benefit of the depositor against fire or any other casualty.
- 28) Auxiliary Services: ALGWW and SERVICE PROVIDER, are not liable for loss/damage/delay which is a direct result of auxiliary services performed by contractors for the shipper or consignee, including but not limited to crating, uncrating, crane or lift services, packing and unpacking which are requested by the shipper or consignee and arranged by ALGWW as a customer service. Such limitation of liability shall extend to the selection by ALGWW of the contractors performing auxiliary services.

PAYMENT OF CHARGES:

- 1) Except as provided in the exceptions within the Tariff, all charges are payable at the time of acceptance if the shipment is "prepaid" (a shipment on which all charges are paid by the shipper) or at the time of delivery if the shipment is "collect" (a shipment on which all charges are to be paid by the consignee).
- 2) EXCEPTION: When ALGWW extends credit to the shipper or consignee, credit will be extended for a period of 30 days from the date of billing.
- 3) In the event that payment on credit accounts is past due, ALGWW reserves the following rights:
 - A) Any outstanding invoice, which is unpaid 30 days from the date of billing, may be subject to an additional charge at a rate of 1½ percent per month of the outstanding balance, or the highest rate of interest permitted by applicable law, whichever is greater.
 - B) Any outstanding invoice, which is unpaid 60 days from the date of billing, may be subject to an additional charge at a rate of 1½ percent per month of the outstanding balance, or the highest rate of interest permitted by applicable law, whichever is greater, and may forfeit any and all discount rates, skid rates or spot pricing. ALGWW reserves the right to re-rate all unpaid shipments exceeding 60 days based on ALGWW's Regular Tariff (RT500) for air freight shipments, or on a zip-code to-zip-code basis using current CZAR LITE non-discounted rates as published by SMC for ground transportation.
 - C) In the event ALGWW engages a collection agent and/or attorney to collect unpaid balances, or to enforce any part of the Rules and Regulations Tariff, the shipper, entity requesting service, consignee, Third Party and beneficial owner acknowledge that by entering into any contract, they shall pay all reasonable costs including, but not limited to, professional fees and costs, 25% of the balance due or a flat fee of \$200.00, whichever is greatest, plus costs. It is further stipulated that exclusive jurisdiction shall be before the courts of the State of Illinois, venue shall be proper within the county of DuPage, and the shipper, consignee, entity requesting service, Third Party and beneficial owner acknowledges that performance of any contract was performed within the State of Illinois, all as more fully described at ITEM 640.

- D) ALGWW and SERVICE PROVIDER shall have a lien on any goods shipped for failure to pay for charges payable on account of any shipment pursuant to these Rules and Regulations. ALGWW or SERVICE PROVIDER may refuse to surrender possession of the goods until such charges are paid.

CREDIT TERMS:

The invoice date begins the credit term cycle, and payment is due within 30 days from the invoice date. Failure to keep shipper's account current with ALGWW may result in the account being put on a "cash only" status. This status may impair shipper's ability to use ALGWW service. In the event prompt payment is not made and an account is placed on a "cash only" basis, credit privileges will not be restored until all balances are paid current, including, but not limited to, all costs, fees and expenses incurred by ALGWW in collecting or attempting to collect such balances. ALGWW may decline to restore credit privileges even if all costs, fees, and expenses are paid.

LIABILITY FOR CHARGES:

- 1) The shipper, consignee, 3rd party, beneficial owner, and entity requesting services are liable jointly and severally for payment of all sums due to ALGWW related to or accrued on account. ALGWW and SERVICE PROVIDER will have a lien on such cargo or product for sums due and payable. In case of non-payment, ALGWW and SERVICE PROVIDER will have right upon 30 days notice to the shipper and consignee at the address shown on the bill of lading to dispose of the cargo or any part thereof at public or private sale without further notice. ALGWW and SERVICE PROVIDER may pay itself out of the proceeds of that sale.
- 2) Customs penalties, storage charges, or other expenses incurred as a result of an action by Customs or a failure by the shipper or consignee to provide Customs proper documentation to obtain a required license or permit, will be charged to the consignee along with duty and tax, if applicable. However, the shipper, Third Party and all other parties having an ownership interest in the shipment shall be liable for payment in the event of non-payment by the consignee.
- 3) If a consignee from whom reimbursement confirmation is requested refuses to pay the duties and taxes necessary to release the shipment from Customs, ALGWW will contact the shipper, who may elect to pay such amounts. If the shipper refuses to make satisfactory arrangements to reimburse ALGWW, the shipment will be returned to the shipper if allowed by Customs. The shipper will then be held responsible for payment of both the original transportation charges and the return transportation charges. If ALGWW advanced any amounts as duties or taxes at either destination or upon return to origin, the shipper, Third Party and all other parties having an ownership interest in the shipment shall also be liable for such amounts.

FUEL AND SECURITY SURCHARGE:

Due to extreme fluctuations and changes in the industry, ALGWW reserves the right to assess a fuel or security surcharge on applicable shipments. A current schedule of Fuel Surcharges is available upon request.

SHIPPER'S INTEREST INSURANCE

- 1) ALGWW will arrange for Shipper's Interest Insurance, when requested by shipper, provided the shipment is an acceptable commodity. Insurance coverage is based upon the open insurance policy in effect on the date of the shipment. There are exceptions and /or special insuring conditions to the insurance option. The cargo insurance policy is subject to limits, terms and conditions and shall be construed to be a contract directly between the shipper and insurer. ALGWW accepts no responsibility or liability for, and both the shipper and consignee waive, release and discharge ALGWW and SERVICE PROVIDER from shipper's and consignee's failure to comply with the terms and conditions of the Shipper's Interest Insurance policy. Applicable Insurance premiums will apply.
- 2) The amount of insurance requested is the direct responsibility of the party seeking insurance coverage. ALGWW is in no manner responsible for any payments due to an incorrect insurance amount requested. The insurance amount (in whole dollars) should be equal to the value of the shipment (less of replacement cost or sales price) plus insurance, incurred duty and the freight charges, plus 10%. Failure to insert at least the full invoice value of the shipment shall reduce any insurance payment proportionately by the applicable percentage that the shipment was so under-insured. A premium charge per \$100.00 USD of the amount requested will be charged.
- 3) In addition to the above, advance arrangements must be made for requested insurance in any amount exceeding \$50,000.00, and in no event will any insurance be accepted in an amount exceeding \$500,000.00. Any amount of insurance requested in excess of the maximum allowed is null and void, and the acceptance by us for carriage of any shipment in excess of the allowed maximum does not constitute a waiver of this maximum.
- 4) If the shipper does not request insurance, or if ALGWW and/or SERVICE PROVIDER does not accept such an insurance request for any reason or if the applicable shipper/consignee does not pay the standard insurance value fees, the shipper or contracting party assumes all risk of loss or damage over and above the standard limits of liability applicable to the shipment.

GENERAL CLAIMS LIABILITY

- 1) In absence of a greater declared/released value noted of the Bill of Lading at the time of tender, the limits of liability set forth herein shall prevail as the maximum liability assumed in connection with a shipment.
- 2) If International shipping, all rules relating to liability as established by the Warsaw Convention or Montreal Convention shall apply, except as otherwise provided in these Rules and Regulations, if not governed by the Warsaw Convention, the Warsaw convention as amended by the Hauge Rules, the Warsaw Convention as amended by Montreal Protocol 4, the Montreal Convention or any other international treaties, laws, other government statutes or regulations, orders or requirements, maximum liability for loss, damage, delay, shortage, misdelivery, or non-delivery shall be 19 SDR’s per kilogram of the lost or damaged portion of the shipment, or the actual cash value of the loss, whichever is less, unless a higher value for carriage is declared and an additional charge is paid for such declaration.
- 3) It is agreed and understood that if the shipper desires to declare a value in excess of the limits of liability herein, the shipper must declare the excess value in writing on the Bill of Lading at the time of tender and pay any supplemental charges for excess value requested.
- 4) It is agreed and understood that SERVICE PROVIDER’s maximum liability for a shipment shall not exceed \$50,000 per shipment, inclusive of transportation cost, unless approved in writing, in advance of shipment tender, by ALGWW’s Director of Risk Management; provided it is specifically understood that as an arranger of transportation ALGWW has no liability in this regard whatsoever.
- 5) The declared/released value of any shipment represents the maximum liability in connection with a shipment, including, but not limited to, any loss, damage, delay, misdelivery, non-delivery, misinformation, any failure to provide information, or misdelivery of information relating to a shipment. The shipper assumes exposure to and risk of any loss in excess of the declared/released value. Shipper may transfer the risk to an insurance carrier of Shipper’s choice through the purchase of an insurance policy. Contact an insurance agent or broker if Shipper desires insurance coverage.
- 6) When Shipper’s Interest Insurance is requested, the amount of insurance requested represents the maximum liability in connection with a shipment, including, but not limited to, any loss, damage, delay, misdelivery, non-delivery, misinformation, any failure to provide information, or misdelivery of information relating to a shipment. It is the shipper’s responsibility to prove actual damages. The shipper assumes exposure to and risk of any loss in excess of the amount of insurance requested.
- 7) In any event resulting in a freight claim, the minimum liability is \$50.00 per shipment or the actual cost value of the shipment, whichever is less, inclusive of transportation cost.

LIMITS OF LIABILITY:

1) Surface Transportation Limits of Liability:

- A) Pursuant to Item 540 of the Rules and Regulations: For ground transportation with both an origin and destination in the United States, where a freight class is annotated on the bill of lading at time of tender, SERVICE PROVIDER’s liability shall be limited to the value per Class or commodity specific values as outlined below, unless the shipper declares a higher value and pays a supplemental charge. If the rate base charged to the customer is a FAK rate, liability will default to the lowest FAK class rates billed. In no event shall liability be greater than the amount of loss or damage. The value per Class or commodity specific values is provided below:

Freight Class	Max Liability Per Pound	Freight Class	Max Liability Per Pound	Freight Class	Max Liability Per Pound	Freight Class	Max Liability Per Pound
50	\$2.00	55	\$2.00	60	\$2.25	65	\$4.00
70	\$6.00	77.5	\$8.00	85	\$12.00	92.5	\$15.00
100	\$20.00	110	\$20.00	125 & Higher	\$25.00		

- B) Pursuant to Item 550 of the Rules and Regulations: For ground transportation with both an origin and destination in the United States, where a freight class is NOT annotated on the bill of lading at time of tender, or the shipment is quoted based on a spot quote (space available), SERVICE PROVIDER’s liability shall be limited to \$1.00 per pound subject to a maximum of \$10,000.00 per shipment, unless the shipper declares a higher value and pays a supplemental charge.
- C) Pursuant to Item 555 of the Rules and Regulations: For ground transportation where pricing is based upon truckload service, sealed by the shipper, and with both an origin and destination in the United States, SERVICE PROVIDER’S liability for new commodities or articles shall be limited to \$2.00 per pound per package subject to a maximum of \$100,000.00 per occurrence, unless the shipper declares a higher value and pays a supplemental surcharge. In no event shall liability be greater than the amount of loss or damage. For ground transportation where pricing is based upon truckload service, NOT sealed by the shipper, and with both an origin and destination in the United States, , SERVICE PROVIDER’S maximum liability shall be limited to \$0.50 per pound per package subject to a maximum of \$25,000.00 per occurrence, unless the shipper declares a higher value and pays a supplemental surcharge. In no even shall liability be greater than the amount of loss or damage. Commodities or

articles which are in any way other than new (including but not limited to, commodities or articles which are used, reconditioned, refurbished, or rebuilt); commodities or articles purchased through Internet auctions, whether listed on the Bill of Lading as such or not, will be accepted for transportation subject to SERVICE PROVIDER'S maximum liability of \$0.50 per pound for the article(s) lost, damaged, or destroyed, subject to a maximum of \$25,000.00 per occurrence, unless a higher value is declared. Failure of the shipper or consignor to declare a commodity or article as other than new (including but not limited to, failure to declare the commodity or article to be used, reconditioned, refurbished or rebuilt) shall not alter the application of this item. Commodities or articles purchased through Internet auctions will be deemed to be used unless claimant can prove otherwise. Damages applicable to used commodities, regardless of value declared, for rust, oxidation and discoloration; wear, tear and gradual deterioration; electrical and/or mechanical derangement unless caused by a covered peril; marring, scratching, denting and/or cost of repainting, shall be excluded unless a pre-shipment condition report is issued prior to shipping, at Shippers expense.

- D) Pursuant to Item 560 of the Rules and Regulations: For ground transportation with both an origin and destination in the United States, where a the shipments ultimate destination is a U.S. Postal facility, SERVICE PROVIDER's liability shall be limited to \$2.50 per pound, unless the shipper declares a higher value and pays a supplemental charge. In no event shall liability be greater than the amount of loss or damage.
- E) Pursuant to Item 580 of the Rules and Regulations: For ground transportation from Canada to the United States, from the United States to Canada or both an origin and destination in Canada, SERVICE PROVIDER's liability shall be limited to \$2.00 per pound, unless the shipper declares a higher value and pays a supplemental charge. In no event shall liability be greater than the amount of loss or damage.
- F) Pursuant to Item 590 of the Rules and Regulations: For ground transportation from Mexico to the United States, from the United States to Mexico, or both an origin and destination in Mexico, SERVICE PROVIDER's liability shall be limited to \$0.50 per pound. In no event shall liability be greater than the amount of loss or damage. SERVICE PROVIDER assumes no liability on Mexico portion of the transportation on shipments of fresh fruits, plants, flowers, hazardous materials or corrosive chemical. These commodities are transported at the shipper's risk.
- 2) Air Transportation Limits of Liability
- A) Pursuant to Item 570 of the Rules and Regulations: For expedited transportation with both an origin and destination in the United States, SERVICE PROVIDER's liability shall be limited to \$0.50 per pound, unless the shipper declares a higher value and pays a supplemental charge. In no event shall liability be greater than the amount of loss or damage.
- B) Pursuant to Item 600 of the Rules and Regulations: For air transportation from United States to All Countries, and from All Countries to United States, SERVICE PROVIDER's liability shall be limited to \$13.15 per pound, unless the shipper declares a higher value and pays a supplemental charge. In no event shall liability be greater than the amount of loss or damage.
- 3) Ocean Transportation Limits of Liability
- A) Pursuant to Item 610 of the Rules and Regulations: For ocean transportation from United States to All Countries, and from All Countries to United States, SERVICE PROVIDER's liability shall be limited to \$500.00 per package, or in a case of goods not shipped in packages, per customary freight unit, unless the shipper declares a higher value and pays a supplemental charge. Shipments of goods packed in steamship containers will be limited to \$500.00 for the contents of the entire container if they state, i.e., "one 40' container of xxx" or similar qualification. Bills of Lading must state the number and type of packaging if the cargo owner desires to recover the full value of the goods shipped, up to \$500.00 per package or customary freight unit. In no event shall liability be greater than the amount of loss or damage.

CLAIM PROCEDURES:

- 1) All overcharge claims, must be submitted in writing to ALGWW within 180 days following the date of acceptance of the freight for transportation. ALGWW hold no liability for overcharge claims applicable to shipments whose transportation charges were not paid within 30 days of invoice date.
- 2) Reporting of Claims: With respect to any and all incidents of claims, the following shall strictly apply. Failure to abide by the following procedures will result in declination of a claim:
- A) Annotations of damage and/or loss on the delivery receipt DOES NOT qualify as notice. A written notice of intent to file a loss and/or damage claim must be filed within the time limits below.
- B) Obvious damage and/or loss as annotated on the delivery receipt must be reported within 30 calendar days following delivery.
- C) Concealed damage and/or loss (not annotated on delivery receipt) must be reported within 10 calendar days following delivery, or if perishables, verbally within 48 hours.
- D) Shipments lost in their entirety must be reported within 30 calendar days of the date of shipment (ship date).

- 3) All goods must be retained for inspection at the delivery site for 15 days following notification of damage and/or loss. The goods must be retained in the original shipping container and all materials used in packing the cargo for transportation must be held for inspection. If inspection has not been performed within 15 days of notification, or a written waiver for inspection has been issued, privilege to perform such inspection is forfeited. While awaiting inspection, the consignee must hold the shipping container and its contents in the same location and condition they were in when the damage and/or loss was discovered. Failure to abide by these procedures will result in claim denial.
- 4) All formal claims for cargo loss and/or damage must be submitted in writing using a Standard Form of Presentation of Loss and Damage Claims and must be received within nine (9) months of the delivery of the cargo. Your claim must include complete shipper and consignee information, as well as the tracking number (i.e., pro #, air bill #, invoice #), date of shipment, total weight and applicable weight of the damaged or lost portion of the shipment, total number of pieces and applicable number of pieces damaged and/or lost. Documentation supporting the claim must include a cost invoice for the original shipment, estimates or invoices for repair or a statement as to why repairs can not be made, and may include purchase orders, expense statements, appraisals or other records. These documents must be verifiable to our satisfaction. The filing of a lawsuit does not constitute compliance with these provisions. Failure to abide by these procedures will result in denial of a claim. It is the responsibility of the claimant to obtain and complete a Standard Form of Presentation of Loss and Damage Claims.

LIABILITY NOT ASSUMED:

- 1) ALGWW and SERVICE PROVIDER will not be liable for, nor will any adjustment, refund or credit of any kind be given as a result of, any loss, delay, misdelivery, non-delivery, misinformation or failure to provide information caused by or resulting in whole or in part from items listed in Item 630 of the Rules and Regulations.

LIMITATIONS OF LEGAL ACTIONS:

- 1) The right to damages under any cause of action arising from services pursuant to these Rules and Regulations shall be extinguished unless action is brought within two years of the date service was completed or the date on which the service should have been completed.
- 2) The right to damages under any cause of action arising from services pursuant to the Rules and Regulations of ALGWW shall be extinguished unless the claimant has complied with all applicable notice periods in these Rules and Regulations.
- 3) Shipper, consignee, Third Party, entity requesting services, and beneficial owner, inter alia, acknowledge that by utilizing and benefiting from the Tariff, including but not limited to the tender of a shipment to which the Tariff applies or the receipt for a shipment constitutes entering into a contract with a material nexus so that they have sufficient contacts with the State of Illinois to vest jurisdiction therein and hereby forever waive any objection to exclusive Illinois jurisdiction, agree thereby to proper venue within DuPage County, Illinois, agree to be subject to the jurisdiction of the State of Illinois, waive any right to a trial by jury, and agree not to raise, and hereby waive, any defense based on venue, lack of personal or subject matter jurisdiction or sufficiency or service or process; provided further, that in the event such jurisdiction and venue is contested unsuccessfully, they and each of them shall indemnify (inclusive of attorney fees and costs) and hold ALGWW and SERVICE PROVIDER harmless from all costs incurred.
- 4) Each dispute shall be decided on an individual basis and will not be consolidated in any action with the disputes or claims of other parties. Parties agree by the implementation and use of the Tariff not to sue as a class plaintiff or class representatives, join a class as members, or participate as adverse parties in any way in a class lawsuit with respect to any dispute or claim relating to the Rules and Regulations or the services provided.