

## **TERMS AND CONDITIONS OF CARRIAGE ("Terms and Conditions")**

Yamato Transport U.S.A., Inc. and its affiliates ("Yamato"), as indirect air freight forwarder, is engaged in the international transportation of small packages.

1. **Definitions:** "Shipment" means any envelope, document, small package, or parcel ("Japan Exparcel") which is delivered to and accepted by Yamato for carriage by any means Yamato chooses from departure points in the United States of America and Canada to destinations within Japan. A "waybill" shall include any label produced by Yamato, air waybill, or other consignment form, and shall incorporate the Terms and Conditions set forth herein. "Prohibited Items" means any envelope, document, package, or parcel, the carriage of which is prohibited by any law or regulation of the country of departure, the country of destination, and any intermediate stopping country having jurisdiction thereof.

2. **Acceptance of Terms and Conditions:** Unless otherwise agreed upon in writing by an authorized officer of Yamato, when soliciting Yamato for your Shipment, you, as "Shipper", are agreeing, both on your own behalf and on behalf of all other individuals with an interest in the Shipment, that the Terms and Conditions set forth on the reverse side of Yamato's waybill shall apply from the time Yamato accepts the Shipment. Every Shipment is transported on a limited liability basis as set forth herein in Paragraph 10.

3. **Customs, Export and Import:** Yamato may perform the following activities on Shipper's behalf: (i) complete any documents and pay any duties or taxes required under applicable laws and regulations; (ii) act as Shipper's forwarding agent for customs and export control purposes and as a custodian solely for the purpose of designating a customs broker to perform customs clearance and entry; and (iii) redirect the Shipment to consignee's import broker or other address upon request by a person authorized by the Shipper or its consignee.

4. **Representations Concerning Waybill Preparation:** Shipper shall be responsible for adequately packaging the Shipment and for providing complete and accurate information such as number of, content of and weight of documents, parcels, packages etc., with respect to the Shipment. Shipper agrees that inaccurate information respecting the number of, content of and weight of the Shipment will constitute a default on Shipper's part. Yamato reserves the right to reject a shipment by reason of incomplete or inaccurate description of the number of, content of and weight of the shipment provided by Shipper to Yamato, whether the inaccuracy is deliberate or inadvertent. If Shipper provides inaccurate information relating to the number of and weight of the Shipment Yamato reserves the right to complete the documentation and bill Shipper on a best estimate basis.

5. **Security/Inspection:** Every Shipment is subject to security and other governmental regulations. Pursuant to such regulations, every Shipment is subject to security screening, which may include the use of X-ray equipment. Shipper will ensure that (i) the Shipment was prepared in the Shipper's secured premises by the Shipper or its agents; (ii) the Shipment has been protected against unauthorized interference at all times during preparation, storage, and delivery to Yamato; (iii) the Shipment is properly marked and addressed and packed to ensure safe transportation with ordinary care; and (iv) all applicable customs, import, export and other applicable laws and regulations have been complied with. Yamato reserves the right to open and inspect a Shipment without prior notice to Shipper in order to determine the accuracy of the description of the contents or acceptability of the Shipment for transportation. Yamato reserves the right to reject any items for carriage which it deems unlawful to transport.

6. **Dangerous Items/Prohibited Items:** Yamato will not accept Prohibited Items for shipment, including but not limited to items classified as dangerous or hazardous by the International Air Transport Association, International Civil Air Association or any applicable governmental agency of any country having jurisdiction. Yamato will not accept items for carriage that cannot be transported safely or legally, including but not limited to animals, plants, currency, bullion, precious metals or stones, firearms and parts thereof, ammunition, pornography, illegal narcotics, and/or human remains.

7. **Indemnity:** Shipper shall indemnify and hold Yamato harmless for any loss or damage arising out of Shipper's failure to comply with any applicable laws or regulation and for breach of the terms of Sections 4, 5 and 6 herein.

8. **Incorrect Address:** Shipment cannot be delivered to a P.O. Box Number. If a Shipment bears an incorrect address, Yamato will make all reasonable efforts to determine the correct address. If the correct address is determined to be within the destination country contained in the waybill, Yamato will notify Shipper of the correction and attempt delivery to the correct address. If the correct addressee cannot be reasonably identified, located or refuses delivery of the Shipment, or if the correct address is not determined to be within the destination country contained in the waybill, Yamato will exercise reasonable effort to return the Shipment to Shipper at Shipper's costs, failing which, the Shipment may be disposed of or sold by Yamato at its option, without incurring any liability whatsoever to Shipper or any other known

or unknown third parties, with the proceeds, if any, applied against service charges and related administrative costs, and the balance, if any, returned to Shipper.

9. **Shipment Charges:** Yamato's Shipment charges are calculated based on the greater of actual or volumetric weight. Any Shipment may be re-weighed by Yamato to confirm the calculation. Shipper shall pay or reimburse Yamato for all Shipment charges, duties, and taxes incurred for services provided by Yamato or incurred by Yamato on Shipper's behalf. Shipper shall indemnify Yamato for all claims, damages, fines and expenses incurred if the Shipment is deemed unacceptable for transport under Sections 4 through 6 above.

10. **Yamato's Limitation of Liability:** Yamato is an indirect airfreight forwarder and not a common carrier, and therefore does not assume any liability as a common carrier. As an indirect airfreight forwarder, Yamato's liability in connection with this Shipment is limited to direct loss only. Yamato's liability per package contained in a Shipment is limited to the lesser of Shipper's actual damages or \$1,000. ALL OTHER TYPES OF LOSS OR DAMAGE ARE EXPRESSLY EXCLUDED (INCLUDING BUT NOT LIMITED TO LOSS OF INCOME, PROFITS, REPUTATION, USE OF CONTENT AND LOSS OF OPPORTUNITY), WHETHER SUCH LOSS OR DAMAGE IS SPECIAL, INDIRECT OR CONSEQUENTIAL, AND EVEN IF SUCH RISK WAS BROUGHT TO THE ATTENTION OF YAMATO BEFORE OR AFTER ACCEPTANCE OF THE SHIPMENT. SPECIAL RISKS CAN ONLY BE INSURED BY SHIPPER THROUGH SHIPPER'S OWN ARRANGEMENTS DIRECTLY WITH AN INSURANCE PROVIDER.

11. **Filing of Claims:** Shipper must make all claims in writing and notify Yamato within seven (7) days or fourteen (14) days in case of delay from the date Yamato accepts the Shipment, failing which, Yamato shall have no liability whatsoever. Yamato is not obligated to process any claim until all Shipment charges have been paid in full, and Shipper may not deduct the amount of the claim from outstanding Shipment charges owed to Yamato

The recipient of the Shipment must note any damage on the delivery record at the time of delivery. If the recipient accepts the Shipment without noting any damages on the delivery record, it is assumed that the items included in the Shipment were delivered in good condition, and Yamato is free of liability.

12. **Shipment Insurance (NOT AVAILABLE):** Yamato does not provide for nor can it arrange for insurance to cover the value of the contents of the Shipment. Shipper is advised to make its own arrangements directly with an insurance provider

13. **Routing and Delayed Shipments:** Shipper agrees to all routing and diversion, including the possibility that the Shipment may be carried via intermediate stopping places. Yamato will exercise reasonable effort to deliver the Shipment according to Yamato's regular delivery schedule. However, delivery schedules are not guaranteed and are not incorporated as part of the contract between Yamato and Shipper. Yamato shall not be liable for any damages or loss caused by carriage delays.

14. **Circumstances Beyond Yamato's Control:** Yamato shall not be liable if the Shipment, or any part thereof, is lost, damaged, delayed or not delivered as a result of circumstances beyond Yamato's control. These circumstances include, but are not limited to: "Acts of God," such as flood, earthquake, fog, storm, etc.; "Force Majeure," such as war, accidents (e.g. plane crash), acts of public enemies, strikes, embargoes, perils of the air; local disputes, civil unrest, national or local disruption in air or ground transportation, mechanical problems to modes of transport or machinery; any act or omission by a third party; any electrical or magnetic damage to or erasure of electronic or photographic images, data or recordings; or, any other defect or characteristic related to the nature of the Shipment, whether known or unknown to Yamato.

15. **Warsaw Convention:** The Warsaw Convention applies to air transportation that involves a final destination or stop in a country other than the country of departure. THE RULES RELATING TO LIABILITY ESTABLISHED BY THE WARSAW CONVENTION AND ANY AMENDMENTS THERETO SHALL APPLY TO THE INTERNATIONAL CARRIAGE OF ANY SHIPMENT HEREUNDER INsofar AS THE SAME IS GOVERNED THEREBY.

16. **Governing Law:** Any dispute arising under or in any way connected with these Terms and Conditions shall be subject to the non-exclusive jurisdiction of the courts of, and governed by the law of, the country of origin/departure of the Shipment, and the Shipper and Yamato submit to such jurisdiction, unless contrary to applicable law.

17. **Severability:** The invalidity or unenforceability of any provision of these Terms and Conditions shall not affect the enforceability of any other provision contained herein.