

On Time Express, Inc.
CONDITIONS OF CONTRACT

- A. As used in the Contract, "Forwarder" means On Time Express, Inc. and "Carrier" includes the Forwarder and all carriers which transport goods hereunder or perform any other service related to such goods. Carriage to be performed hereunder by several successive carriers shall be deemed a single operation.
- B. Carriage and other services to be performed by the Forwarder hereunder are subject to a) applicable laws, government regulations, orders and requirements; b) the provisions set forth in the Contract and c) applicable reference and which may be inspected at the Forwarder's offices, or write for "Rules and Tariff Regulations". No agent, servant or representative of the Forwarder has authority to alter, modify or waive any provision of the Contract.
- C. The shipper and the consignee shall be jointly and severally liable for the payment of all charges and advances. The Forwarder shall have a lien on the shipment for all amounts due and payable to the Forwarder. The shipper and the consignee shall jointly and severally indemnify the Forwarder for all claims, fines, penalties, damages, costs or other amounts which may be incurred by or imposed upon the Forwarder by reason of any breach by the shipper or the consignee of any of the provisions of this Contract.
- D. It is agreed that no guarantee time is fixed of the completion of carriage as offered and that the Forwarder may without notice substitute alternate carriers or modes of transportation. Service failures caused by (i) acts of God, public enemies, public authorities, quarantine, riots, strikes, civil disorders, commotions or hazards or dangers incident to state of war; (ii) any default by the shipper or consignee; (iii) the nature of the shipment, or any defect, characteristic of inherent vice thereof; (iv) violations by the shipper or consignee of any of the conditions of the Contract; (v) compliance with laws, governmental regulations, orders or requirements of any jurisdiction, or from any other cause beyond the control of the Forwarder will not negate the charges for service rendered.
- E. Except as applicable laws may otherwise require, the Forwarder shall not be liable to the Shipper or any other person for any damage, delay or loss of any nature (hereinafter collectively referred to as "damage") arising out of or in connection with the Carriage of goods, unless such damages proved to have been caused by the negligence or willful fault of the Forwarder and there has been no contributory negligence on the part of the shipper, consignee or other claimant. The Forwarder shall not be liable for any damage directly or indirectly caused by (i) acts of God, public enemies, public authorities, quarantine, riots, strikes, civil disorders, commotions or hazards or dangers incident to a state or war; (ii) any default by the shipper or consignee; (iii) the nature of the shipment, or any defect, characteristic of inherent vice thereof; (iv) violations by the shipper or consignee of any of the conditions of the Contract; (v) compliance with laws, governmental regulations, orders or requirements of any jurisdiction, or from any other cause beyond the control of the Forwarder. Forwarder shall not be liable, in any event, for any consequential or special damages, or other indirect loss, arising whether or not Forwarder had knowledge that damage might be incurred, including but not limited to loss of income profits, interest, utility, or loss of market.
- F. In tendering the shipment for carriage hereunder the shipper warrants that the shipment is packaged to protect the goods. Uncrated, unprotected, or improperly packaged merchandise is handled by the Forwarder on a "hold harmless" basis, and liabilities will not be assumed in the event of damage to any such merchandise.
- G. Charges for Declared Value**
1. The liability of On Time Express, Inc., with regard to any shipment is limited to the sum of \$100.00 or 50 cents per pound, whichever is less, unless a higher value is declared for the shipment at time of tender.
 2. Declared value charge will be calculated at a rate of 50cents per \$100.00 of declared value or fraction thereof.
 3. SHIPMENTS EXCEEDING \$100.00 IN DECLARED VALUE MUST RECEIVE PRIOR WRITTEN APPROVAL FROM ON TIME EXPRESS, INC. IN ORDER TO OBTAIN COVERAGE.
- H. Other Charges**
1. All claims, other than overcharge claims, must be made in writing to the Forwarder with 180 calendar days after the date of acceptance of the consignment by the Forwarder.
 2. In the case of damage and/or loss discovered by the Consignee after delivery, the Shipper or the Consignee must complain in writing to the Forwarder with 12 calendar days after the delivery of the Consignment. The Forwarder shall have the right to make an inspection of the Consignment, its container(s) and packing material within 15 calendar days of such a complaint.
 3. Documentation of all claims other than overcharge claims, must be made in writing to On Time Express, Inc., within 90 calendar days after receipt of written notification in full accordance with paragraphs (1) and (2) above.
 4. Except as provided in paragraph (5) below, receipt of the shipment by the recipient without written notification of damage on the delivery receipt, shall be prima facie evidence that the shipment was delivered in good condition.
 5. In case of claims for concealed damage which is not discovered at the time of delivery, the shipper or recipient shall notify On Time Express, Inc. in writing as promptly as possible after the discovery thereof and, in any event not later than 15 calendar days from the date of delivery of the shipment and notice of damage by the recipient. The recipient must make the original shipping cartons and packing materials available for inspection by On Time Express, Inc. or its representative.
 6. All freight charges due On Time Express, Inc., must be paid in full prior to the resolution of any claim.
 7. Only the party who holds title to the goods in question is entitled to file a claim for loss or damage of a shipment.
 8. The Forwarder shall not be liable, in any event, for any arising, whether or not Forwarder had knowledge that such damage might be incurred, including but not limited to, loss of income, profits, interest, utility or loss of market.
- I. To the extent that any provision of this Contract is held to be unenforceable as contrary to any applicable law or governmental regulation, such provision shall be effective to the extent that is not held to be unenforceable. The invalidity or unenforceability of any provision of the Contract shall not affect the validity or enforceability of another provision hereof.
- J. Debtor hereby agrees to pay all court costs and attorneys' fees incurred by carrier in enforcing any of the terms of this agreement and in collection of any sums owing pursuant to this agreement by debtor for services rendered by carrier.
- K. Debtor does hereby agree to pay interest at the rate of 15% per annum on all amounts debtor owes to On Time Express, Inc., but does not pay within 30 calendar days of invoice date.