

## Andrews Air Corporation US Domestic Terms and Conditions of Contract

1. As used in this contract, "Andrews" means Andrews Air Corporation and its authorized agents.
2. In tendering the shipment for carriage, the shipper agrees to these Conditions of Contract, which no agent or employee of Andrews is authorized to waive or modify. The shipper also acknowledges that this air waybill is non-negotiable and has been prepared by the shipper or on shipper's behalf by Andrews.
3. The shipper agrees that carriage hereunder is subject to the terms and conditions stated herein and to those terms and conditions contained in a Policy Manual and tariffs, which is available for inspection by the parties hereto and is incorporated in this contract by reference.
4. The shipper warrants that the shipment is packaged to protect the enclosed goods and to insure safe transportation with ordinary care in handling, and that each package is appropriately labeled and is in good order for carriage.
5. All shipments may, at Andrews' option, be opened and inspected.
6. Andrews shall not be liable for loss, damage, delay or other result caused by (a) acts of God, public enemies, public authorities acting with actual or apparent authority, authority of law, quarantine, riots, strikes, civil commotions, or hazards or dangers incident to a state of war; (b) the act of the default of the shipper or consignee; including any breach of the warranty set forth in paragraph 4; (c) the nature of the shipment, or any defect, characteristic or inherent vice thereof; (d) violation by the shipper or consignee of any of these Conditions of Contract; (e) compliance or non-compliance with delivery or special instructions.
7. Andrews shall not be liable for special or consequential damages, such as the loss of a contract or loss of sales.
8. Claims for loss or damage discovered by the consignee after delivery and after a clear receipt has been given to Andrews, must be reported in writing to Andrews within fifteen days after delivery of a shipment with privilege to Andrews to inspect the shipment and its container(s) and packing material within fifteen days after receipt of such notice. Written claims received more than fifteen days after delivery are deemed rejected and Andrews shall not be liable.
9. Claims for loss, damage, or delay must be made in writing and received by Andrews within 180 days after the date of acceptance of the shipment by Andrews. Written claims received after the 180 days period are deemed reflected and Andrews shall not be liable.
10. Unless a greater value is declared on the reverse, the shipper, consignee and bill to party agrees and declares that the value of the property is released to an account not exceeding \$50.00 (U.S. dollars) for any shipment of 100 pounds or less and not exceeding 50 cents per pound for any shipment weighing in excess of 100 pounds. Liability amount will be determined based upon the weight of the damaged or missing cartons without regard to the total weight per shipment. These rules also apply to transborder Canadian shipments.
11. Andrews shall not be liable in any action unless a claim has been filed in accordance with Paragraphs 8 and 9 and a lawsuit is filed within one year after the date written notice was given to the claimant that Andrews had disallowed the claim in full or in part.
12. To the extent that it is not governed by Federal Law, this Contract and the Manual incorporated by reference shall be construed and the performance of the transportation hereunder shall be determined in accordance with the laws of the State of California. If any provisions of this Contract, including the Manual incorporated by reference is determined to be invalid or unenforceable, the remainder of the Contract shall not be affected thereby.
13. No claim for loss or damage to a shipment will be entertained until all charges thereon have been paid. The amount of claims may not be deducted from transportation charges
14. Shipper, consignee and bill to party are jointly and severally liable for all charges related to this shipment. Charges may be reversed to the responsible parties if shipment is refused or payment not made by the originally designated bill to party. Andrews will automatically hold the shipper responsible for all freight charges for third party billing if not paid within the tariff regulation period of time.

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15. Shipper, consignee and bill to party agree to pay all reasonable legal and or collection fees incurred by Andrews in securing payment of all charges related to this shipment.
16. Andrews shall have a general lien on any and all property of the shipper, consignee, or bill to party, in its possession, custody, or control or en route, for all claims for charges, expenses or advances incurred by Andrews in connection with any shipments of the shipper, consignee, or bill to party and if such claim remains unsatisfied for thirty (30) days after demand for its payment is made. Andrews may sell upon ten (10) days written notice, registered mail (R.R.R.) to the customer, the goods, wares, and or merchandise, or so much thereof as may be necessary to satisfy such lien.
17. Specific preconditions and limitations apply to shipments of personal effects, household goods, used equipment, items of extraordinary value, and specific "breakables," which require advance arrangement as published in the Andrews Policy Manual.
18. All requests for rate adjustments must be received in writing by Andrews within 30 days from the invoice date of the shipment.
19. These terms and conditions shall be construed according to the laws of the State of California. Customer and its assignees, subrogees and beneficiaries consent that all legal actions to enforce or interpret the terms hereof shall be instituted exclusively in the Courts of the County of San Francisco unless otherwise consented to in writing by Andrews Air Corporation.