

Terms and Conditions

- 1. Parties:** As used in these Conditions of Contract, the “Company” shall mean Beaver Freight Services, and its owners, shareholders, officers, directors, employees, contractors, and their respective authorized agents. “Shipment” shall mean the materials tendered for carriage or storage by Company. “Customer” shall mean the party designated as the Billing Party on the Company’s freight bill or any other cartage document (“Freight Bill”), which are incorporated herein by this reference. These Conditions of Contract and the Freight Bill shall collectively constitute this “Contract”.
- 2. General Liability:** Carriage and other services performed under this Contract are subject to the conditions provided herein and to the rates, rules and classifications set forth in the Company’s rate tariffs, which are available for inspection and incorporated into this Contract by reference.
- 3. Limitation of Actions:** (a) Unless subject to a specific statute or international convention, all claims against the Company for a potential or actual loss, must be made in writing and received by the Company, within 30 days of the event giving rise to claim; the failure to give the Company timely notice shall be a complete defense to any suit or action commenced by Customer. (b) All suits against Company must be filed and properly served on Company in accordance with the terms and conditions of the carrier’s bill of lading or transport document. If no such document has been issued claims must be presented within one (1) year from the date of loss or damage.
- 4. Reliance On Information Furnished:** (a) Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with U.S. Customs & Border Protection, other Government Agency and/or third parties, and will immediately advise the Company of any errors, discrepancies, incorrect statements, or omissions on any declaration or other submission filed on Customers behalf; (b) In preparing and submitting customs entries, export declarations, applications, security filings, documentation and/or other required data, the Company relies on the correctness of all documentation, whether in written or electronic format, and all information furnished by Customer; Customer shall use reasonable care to ensure the correctness of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of the Customer’s failure to disclose information or any incorrect, incomplete or false statement by the Customer or its agent, representative or contractor upon which the Company reasonable relied. The Customer agrees that the Customer has an affirmative non-delegable duty to disclose any and all information required to import, export or enter the goods. (c) Customer acknowledges that it is required to provide verified weights obtained on calibrated, certified equipment of all cargo that is to be tendered to steamship lines and represents that Company is entitled to rely on the accuracy of such weights and to counter-sign or endorse it as agent of Customer in order to provide the certified weight to the steamship lines. The Customer agrees that is shall indemnify and hold the Company harmless from any and all claims, losses, penalties or other costs resulting from any incorrect or questionable statements of the weight provided by the Customer or its agent or contractor on which the company relies.
- 5. Customer’s Packaging:** In tendering the Shipment for carriage or storage, the Customer warrants that the Shipment is packaged to protect the enclosed goods and to ensure safe transportation with ordinary care in handling and that the Shipment is appropriately labeled and is in good order for storage or carriage as specified.
- 6. Inspection of Shipment:** All Shipments may, at the Company’s discretion, or as required by any regulatory, administrative, or governmental authority, be opened and inspected.
- 7. Dangerous Goods:** Customer warrants and represents that in the event any Shipment

contains Dangerous Goods, as defined by the International Air Transport Association ("IATA"), such Dangerous Goods are properly classified and described by name, and is in proper condition for carriage by air according to the applicable IATA Dangerous Goods Regulations. Customer shall indemnify the Company against all loss and damage caused by any Shipment, including without limitation any Shipment containing Dangerous Goods.

8. Limitation of Liability: The Company shall not be liable for loss, damage, delay or other results caused by: (a) acts of God, public enemies, public authorities acting with actual or apparent authority, authority of law, quarantine, riots, strikes, civil commotions, terrorism, or hazards or dangers incident to a state of war; (b) an act or default of Customer or the consignee, including any breach of the warranty set forth in Paragraph 3 above; (c) the nature of the Shipment or any defect, characteristic, or inherent vice thereof; (d) violation by Customer or the consignee of these conditions of contract; and (e) compliance or non-compliance with delivery of Shipments requiring special instructions. The Company shall not be liable for special, consequential, or punitive damages.

9. No Liability For The Selection of Services of Third Parties and/or Routes: Unless services are performed by persons or firms engaged pursuant to express written instructions from the Customer. Company shall use reasonable care in its selection of third parties, or in selecting the means, route and procedure to be followed in the handling, transportation, clearance and deliver of the shipment; advice by the Company that a particular person for firm has been selected to render services with respect to the goods, shall not be construed to mean the Company warrants or represents that such person or firm will render such services not does Company assume responsibility or liability for an action(s) and or inaction(s) of such third party and/or its agents, and shall not be liable for any delay or loss of any kind, which occurs while a shipment is in the custody or control of a third party or the anent of a third party; all claims in connection with the Act of a third party shall be brought solely against such party and/or its agents: in connections with any such claim, the Company shall reasonable cooperate with the Customer, which shall be liable for any charges or cost incurred by the Company.

10. Limitation of Damages: Customer, on behalf of itself and any other party having an interest the Shipment, agrees that unless a declared value is specified in writing by the Customer prior to the initiation services by the Company, the limit of the Company's liability hereunder shall be the greater of:

- (a) The Customer's declared value stated on the Freight Bill for the lost or damaged piece, or;
- (b) \$0.50 per pound multiplied by the weight of the lost or damaged piece, but in no event to exceed the amount of the loss or damage actually sustained.

11. Disclaimers; Limitation of Liability: (a) Except as specifically set forth herein, Company makes no express or implied warranties in connection with its services; (b) In connection with all services performed by the Company, Customer may obtain additional liability coverage, up to the actual or declared value of the shipment or transaction, by requesting such coverage and agreeing to make payment therefor, which request must be confirmed in writing by the Company prior to rendering services for the covered transaction(s). (c) In the absence of additional coverage under (b) above, the Company's liability shall be limited to the following: (i) where the claim arises from activities other than those relating to "Customs business", \$50.00 shipment or transaction, or (ii) where the claim arises from activities relating to "Customs business," \$50.00 per entry or the amount of brokerage fees paid to Company for the entry, whichever is less; (d) In no event shall Company be liable or responsible for consequential, indirect, incidental, statutory or punitive damages, even if it has been put on notice of the possibility of such damages, or for the acts of third parties.

12. Insurance Protection Option: Customer hereby acknowledges that the rates for the services do not include insurance coverage, and Customer acknowledges that prior to the initiation

of services by the Company, the Customer has an option to purchase insurance through the Company for the Customer's Shipment.

13. Customer's Liability: Customer shall be liable: (a) for all unpaid charges payable on account of a Shipment pursuant to this Contract; and (b) to pay or indemnify the Company for all claims, lines, penalties, damages, costs or other sums which may be incurred by the Company by reason of any violation of this Contract or any other default of Customer including its owners, officers, directors, employees, contractors and their respective agents.

14. Indemnification/Hold Harmless: The Customer agrees to indemnify, defend, and hold the Company harmless from any claim and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of customer merchandise and/or any conduct of the Customer, including but not limited to the inaccuracy of entry, export or security data supplied by Customer or its agent or representative, which violates any Federal, State and / or other laws, and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims, penalties, fines and / or expenses, including but not limited to reasonable attorney's fees, which the Company may hereafter incur, suffer or be required to pay by reason of such claims; in the event that any claim, suit or proceeding is brought against the Company, it shall give notice in writing to the Customer by mail at its address on file with the Company.

15. General Lien for Charges: The Company has a general lien on any and all property now or subsequently delivered to or otherwise in care of the Company by Customer for the following:

- (a) all charges for transportation, storage, preservation of the property, and the performance of other services;
- (b) all lawful claims for money advanced, interest, insurance, labor, weighing, and other charges in relation to the listed property;
- (c) all charges and expenses for notice and advertisement of sale and for sale of the property when there has been a default in satisfying the Company's lien; and
- (d) all court costs and reasonable attorneys' fees incurred in collecting these charges and enforcing its lien, or defending itself in the event that it is made a party to any litigation concerning the listed property.

The Company may bring suit for delinquent payments without first foreclosing its lien.

16. Failure of Delivery: In the event of the failure or inability of the consignee to take delivery of the Shipment, the Company will notify Customer in writing and request disposition instructions. If Customer fails to provide disposition instructions within thirty (30) days after the date of the Company's notice, the Company will return the Shipment to Customer at Customer's expense. If Customer fails to accept delivery of a Shipment thus returned, the Company may, upon ninety (90) days written notice to Customer, dispose of the Shipment at public or private sale and pay itself out of the proceeds to satisfy the transportation charges owing on the Shipment.

17. Transport Conditions: The Company will exercise due diligence in routing Shipments. In the absence of specific contrary instructions by Customer on the Freight Bill, the Company may divert any Shipment to surface to surface transportation in order to facilitate its movement. Regardless of the method of transportation employed, the Company's rate tariff charges from origin to destination will apply.

18. Claim Procedure: Customer, on behalf of itself and any consignee, agrees to follow and abide by the Company's Claim Procedure as follows:

- (a) Claims for loss or damage discovered by the consignee after delivery and after a clear receipt has been given to the Company must be reported in writing to the Company within fourteen (14) days after delivery of the Shipment.

- (b) All other claims for loss or damage must be submitted in writing to the Company within one (1) year after delivery of the shipment.
 - (c) Customer shall cause the consignee to allow the Company to inspect the Shipment, its container(s), and packing material within fifteen (15) days after receipt of such notice.
 - (d) No claim shall be evaluated by the Company until all charges have been paid.
 - (e) Claims for overcharges or duplicate billings must be made in writing within a period of 270 days after the date of acceptance of Shipment by the Company.
 - (f) The Company shall not be liable in any action unless a written claim has been filed by Customer and such action is brought within two (2) years after the date written notice is given to Customer that Company has disallowed the claim in full or in part.
- CUSTOMER, ON BEHALF OF ITSELF AND ANY CONSIGNEE, HEREBY ACKNOWLEDGES AND AGREES THAT NO CLAIM MAY BE MADE AGAINST THE COMPANY IN THE EVENT CUSTOMER FAILS TO ABIDE BY THE ABOVE DESCRIBED CLAIM PROCEDURE.

19. Governing Law: To the extent that this Contract is not governed by federal law, this Contract shall be governed by and construed in accordance with the laws of the State of California without regard to its choice of law rules. The parties agree to settle disputes by mediation administered by the American Arbitration Association. If unsuccessful, the parties agree to binding arbitration administered by the American Arbitration Association as the binding, ultimate and final decision. The parties will share mediation and arbitration fees equally. However, the mediator or arbitrator, in his or her absolute discretion, may award costs and attorneys' fees to the prevailing party of any mediation and/or arbitration.

20. International Shipping: International air carriage is subject to the rules and regulations established by the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, October 12, 1929, or the Montreal Convention of 1999, whichever is applicable.

21. Payment: All charges are due and payable fifteen (15) days from date reflected on the invoice unless otherwise specified in writing and signed by the Company. Any payment which is past due shall be subject to an additional charge at a rate of three percent (3%) per month of the outstanding balance due, or the highest rate of interest permitted by applicable law.

22. Collections: Customer shall be responsible for all costs, including reasonable attorney fees, incurred by the Company in collecting the charges due from Customer, its consignee, or any other party designated by Customer as responsible for payment of any invoice.

23. General Lien and Right To Sell Customer's Property: (a) Company shall have a general and continuing lien on any and all property of Customer coming into Company's actual or constructive possession or control for monies owed to Company with regard to the shipment on which the lien is claimed, a prior shipment(s) and/or both; (b) Company shall provide written notice to Customer of its intent to exercise such lien, the exact amount of monies due and owing, as well as any on-going storage or other charges; Customer shall notify all parties having an interest in its shipment(s) of Company's rights and/or the exercise of such lien. (c) Unless, within thirty days of receiving notice of lien, Customer posts cash or letter of credit at sight, or, if the amount due is in dispute, an acceptable bond equal to 110% of the value of the total amount due, in favor of Company, guaranteeing payment of the monies owed, plus all storage charges accrued or to be accrued, Company shall have the right to sell such shipment(s) at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to Customer.

24. Severability: If any provision of this Contract is determined to be invalid or unenforceable, such provision shall be severed from this Contract remainder of the Contract shall not be affected thereby.

25. Entire Agreement: Except as provided by separate mutual written agreement between the parties, this Contract constitutes the entire agreement between the parties.