

ALLSTATES WORLDCARGO CONTRACT OF CARRIAGE

1. Carriage is subject to the rules and regulations herein set forth. When a specific transportation contract is duly executed between Allstates WorldCargo and a shipper, the rates, terms and conditions contained therein are incorporated into this contract by reference. Shipments tendered to the Carrier on a Bill of Lading will be converted to an Airbill and will be moved subject to these terms and conditions.

2. As used in this contract, "Carrier" means all carriers that transport the goods described on the face of this document or perform any other services incidental to such carriage as required.

3. In tendering the shipment for carriage, the shipper warrants that the shipment is packaged to protect the goods so as to insure safe transit with ordinary care in handling and that each package is appropriately labeled and is in good order for carriage as specified.

4. All shipments are subject to Carrier's inspection.

5. Carrier 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, hazards or dangers incident to a state of war.
- B) The act or default of the shipper or 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 the shipper or consignee of any of these conditions of contract.
- E) Compliance or noncompliance with delivery or special instructions.

6. Carrier shall not be liable for special or consequential damages even if it had prior knowledge that such damages could occur.

7. Shipments are accepted as having a released value of \$.50 per pound, or \$50.00, whichever is higher, however, the shipper may declare a higher value for carriage for the shipment on the face hereof, in which case an additional transportation charge will be assessed.

8. In consideration of Carrier's rate for transportation of any shipment, which rate in part is dependent upon the value of the shipment, the shipper and all other parties having an interest in the shipment agree that the limit of Carrier's liability shall be the lesser of:

- A) The amount of any damages actually sustained, or
- B) 1) Where no value is declared, \$.50 per pound multiplied by the number of pounds of those piece(s) actually lost or damaged, or \$50.00, whichever is greater.
- 2) Where a higher value is declared, and all such additional charges having been paid; (a) in the case of loss or damage of the entire shipment, the declared value of the shipment, or (b) in the case of the loss or damage of part of the shipment, the average declared value per pound of the shipment multiplied by the number of pounds actually lost or damaged.

9. The shipper and consignee shall be liable, jointly and severally for:

a) all unpaid charges payable on account of a shipment pursuant to this contract, and b) to pay or indemnify the Carrier for all claims, fines penalties, damages, costs or other sums which may be incurred by the Carrier by reason of any violation of any of these conditions of contract or any other default of the shipper, consignee, or their agents, including but not limited to legal fees and court costs incurred to secure payment.

10. Carrier shall have a lien on this shipment for any sums due and payable to the Carrier.

11. In the event of nonpayment of any sums payable to the Carrier, or failure of the consignee to claim the shipment after notification of its arrival, Carrier will hold the shipment, subject to storage and/or will dispose of the shipment at public or private sale, not earlier than 30 days after providing notice to the shipper and consignee by mail, paying itself out of the proceeds of such sale all sums due and payable including storage fees and selling expenses. Any excess proceeds will be remitted to the actual owner of the goods within 30 days of the time that the sale took place. Immediately after issuing such notice, Carrier's liability will become that of a warehouseman.

12. Carrier undertakes to complete the carriage hereunder with reasonable dispatch, subject to the availability of equipment and space. Carrier may substitute alternate carriers and may, without notice, substitute other modes of transportation. Carrier is authorized to select the routing or to deviate from the routing shown on the face hereof. The transportation charges applicable to any such substituted carriage shall be the air charge from origin to destination via the route shown on the face hereof.

13. Claim Procedures:

- A) No claim with respect to a shipment, any part of which is received by the consignee, will be entertained until all transportation charges have been paid. The claimant may not deduct the amount of a claim from monies owed the Carrier.
- B) Claims for loss or damage must be made in writing to the Carrier's Corporate Office within 180 days from the date of shipment.
- C) On a shipment for which the Carrier receives a clear delivery receipt, such clear delivery receipt shall be prima facie evidence that the shipment received ordinary care in handling. Claims for loss or damage discovered by the consignee after a clear delivery receipt has been given to the Carrier must be reported to the Carrier within seventy two (72) hours from the date of delivery with privilege to the Carrier to inspect the goods and packaging within 12 days after receiving such notice.
- D) Claims for overcharge or duplicate billing must be submitted in writing to the Carrier's Corp. Office within 1 year from the date of shipment.
- E) Carrier shall not be liable for any action unless a claim has been filed and such action is brought within one (1) year after the date written notice is given to the claimant that the Carrier has disallowed the claim in full or in part.
- F) The laws of the State of New Jersey will apply.

14. Transportation rates will be applied against the actual or dimensional weight, whichever is higher. Dimensional weight is calculated by multiplying the extreme measurements of the pieces, in inches, and dividing the result by 194 (domestic) or 166 (international). (Length x width x height)/194 or 166.

15. Shipments unacceptable for transportation:

Unless otherwise expressly provided in Allstates' tariffs, rules and regulations and subject to any restrictions contained therein, the following items will not be accepted for transportation: any shipment prohibited by law; any shipment liable to contaminate or impregnate other shipments; bonds, negotiable securities, currency, money, coins of any kind, gems or precious stones (cut or uncut), pearls, industrial diamonds, precious metal coined or bullion; furs, fur clothing, jewelry; art-work (original or reproduced) including but not limited to paintings, prints, sculptures, statues; antiques; watches; bids, contracts or other time sensitive written material when the declared value exceeds \$.50 per pound; used household goods or personal effects when the declared value exceeds five hundred dollars (\$500.00) per shipment; glass or glass items. Allstates is not liable for any loss, damage, delay, liabilities or penalties resulting from the transportation of any of the foregoing articles, however described or misdescribed in this airbill, and no employee, agent or an independent contractor of the forwarder has any authority to accept such items for transportation or to waive the limitations herein set forth.

16. Allstates will provide C.O.D. (Collect on Delivery) service subject to the following conditions:

- A) Shipper must identify the shipment as a C.O.D. shipment by entering the amount to be collected in the shipper's C.O.D. box on the face hereof.
- B) Shipper must specify the type of payment to be collected (i.e. cash, money order, certified check, cashier's check, customer/personal check, etc.) in the special services area on the face of this airbill.
- C) Allstates will collect the financial instrument specified by the shipper or, in the absence of such specification, will collect a company check if the shipment is directed to a business, or a personal check if the shipment is directed to an individual. Allstates neither guarantees the validity of the collected financial instrument, nor is Allstates liable for any loss, damage or other adversity arising from its collection of C.O.D. funds on behalf of the shipper.
- D) The shipper's C.O.D. amount will not be considered as the Declared Value for Carriage. (See Section 7).

17. International air carriage is subject to the rules relating to liability established by the Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, October 12, 1929.

18. Should any provision of this contract or the application thereof, to any extent, be held invalid or unenforceable, the remainder of this contract and the application thereof other than those provisions as to which it shall have been held invalid or unenforceable, shall not be affected thereby and shall continue valid and enforceable to the fullest extent permitted by law or equity.

19. This contract shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

20. This contract shall be governed and construed in accordance with the laws of the State of New Jersey.

*** KEEP THIS COPY FOR YOUR RECORDS ***