

Forwarder's Cargo Receipt Terms and Conditions

These Terms and Conditions govern services of any kind by Expeditors relating or ancillary to the carriage, receipt, custody, consolidation, handling, storage, distribution and/or forwarding of any goods of the exporter, importer, sender, receiver, owner, consignor, consignee, transferor and transferee (hereafter "Customer"). Customer's attention is directed to the Clauses hereof which exclude or limit the liability of Expeditors and other parties, and to those which require Customer to indemnify Expeditors in certain circumstances.

1. Expeditors undertakes to receive the goods on behalf of Customer, to hold the same, and/or to deliver or forward the goods (or to arrange such receipt, holding, delivery and/or forwarding) for transportation by motor, rail, water or air carriers for distribution and ultimate delivery to the persons identified by Customer. Expeditors is authorized to select and engage carriers, truckmen, lightermen, forwarders, customhouse brokers, agents, subagents, warehousemen and others, as reasonably required in Expeditors' judgment, to transport, store, consolidate and forward the goods. All such persons shall be considered agents or contractors of Customer, and not of Expeditors. Expeditors may deliver or forward the goods to such persons subject to the terms, conditions, rules, regulations, tariffs, or requirements of such persons, including those relating to limitation of liability for loss, damage, expense or delay, whether printed, stamped or written or appearing in bills of lading, receipts, tariffs or otherwise, and Customer acknowledges that it shall be bound by such terms, conditions, rules, regulations, tariffs, or requirements. Expeditors shall so far as reasonably possible cause the goods to be consolidated with the goods of others in order to secure the transportation benefits and economies that may be available.

2. Unless express written instructions are received from Customer, Expeditors has complete freedom in choosing the means, route and procedure to be followed in the handling, transportation and delivery of the goods. Unless otherwise agreed, Expeditors may without notice use any method available at its discretion, and all risk and/or expenses incurred in using such method shall be for the account of Customer.
3. In receiving the goods and performing the services covered by these Terms and Conditions, Expeditors is acting only as the agent of Customer and not as a carrier, transporter or distributor of the goods. Expeditors assumes no liability as a carrier and is not responsible for any loss, damage or expense to the goods or for any other loss or damage except as specifically provided herein. Expeditors shall only be liable to Customer for any loss, damage, expense or delay to the extent that Expeditors fails to exercise due diligence and to take reasonable measures in the performance of its duties, and then only for loss, damage or expense which occurs when Expeditors has exclusive physical custody of the goods. From and after the delivery of the goods to any third party in accordance with these Terms and Conditions, the sole responsibility and liability for the care, custody, carriage, and delivery of the goods and any loss, damage or expense shall be that of said third party and not that of Expeditors.
4. To secure a due proportion between the charges it earns and the amount for which it may be responsible in the event of loss or damage to the goods, Expeditors has established its regular, lower rates and charges based on the limited value of goods as hereinafter agreed. Customer may, however, elect to pay additional charges by declaring the true value of the goods at or before the time of receipt by Expeditors, in which case the liability of Expeditors for loss of or damage to the goods, or for delay shall be the

declared value of the goods. Unless Customer so declares the value of the goods and pays ad valorem charges, Customer is deemed to have elected the regular, lower charges of Expeditors and to have agreed that for the purpose of computing any liability of Expeditors for any loss, damage, expense or delay, the value of the goods shall be the lesser of (i) the invoice value or (ii) USD\$50 per package, or in the case of goods not shipped in packages USD\$50 per customary shipping unit.

5. Expeditors shall in no event be liable for consequential, indirect, special, or punitive damages of any kind, including but not limited to lost profit, lost revenue, loss of reputation, or loss of market.
6. Customer warrants the following: (i) that the goods are properly marked and suitably packaged for normal handling; (ii) that the weight and descriptions of packages and cargo units furnished by the shipper are correct; (iii) that the nature and amount of any hazardous or dangerous cargo has been packaged and/or labeled in accordance with IMCO Regulations and identified as such in accordance with such Regulations to Expeditors at or before the time of receipt by Expeditors; and (iv) that the goods do not require insulated, refrigerated, ventilated or other special storage or handling unless disclosed in writing to Expeditors at or before the time of receipt of the goods. Customer shall defend, indemnify, and hold harmless Expeditors in respect of any injury or death of any person, or damage to cargo or any other property, or any other loss or expense, including legal fees, caused by breach of any of the foregoing warranties. Customer hereby acknowledges that Expeditors shall have no liability whatsoever in respect of any failure by the Customer or any other party to do any act or pay any amounts due in respect of the cargo received hereunder including, but not limited to, the purchase price

of such cargo, freight, storage charges, insurance premium, lighterage charges, demurrage, salvage charges or general average contribution.

7. Expeditors is not responsible for any defect in quality, quantity, type or any inherent vice or defect in the cargo unless such defect was readily noticeable upon visual inspection of the external packaging of the cargo, and then only to the extent that any damages at issue were caused by the negligence of Expeditors, its officers or employees.
8. Customer shall defend, indemnify and hold harmless Expeditors against all loss, damage and expenses of whatsoever nature in respect of any claims by carriers, warehousemen (including agents or subcontractors of Expeditors) or any other party for misdescription of the weight, volume, type, packaging, temperature requirements, or quality of the cargo or for contamination by or of the cargo by contact or reaction with any other substance, or for any loss or liability whatsoever related to the goods or the contract of the parties which exceeds the liability that Expeditors has to Customer under these Terms and Conditions.
9. Expeditors will not be required to secure export licenses and/or quote clearances or any other Government consent in respect of the import or export of the cargo.
10. Customer represents and warrants that it is in compliance with all applicable laws and government regulations, including anti-corruption laws such as, but not limited to, the U.S. Foreign Corrupt Practices Act (“FCPA”), the U.S. Export Administration Regulations (“EAR”), the International Traffic in Arms Regulations (“ITAR”), the U.S. Anti-Boycott regulations, and the various U.S. economic sanctions programs administered by the U.S. Treasury Office of Foreign Assets Control (“OFAC”), and that

the information the Customer provided Expeditors in connection with Customer's compliance with all such applicable laws and government regulations was true and complete. Customer shall also comply with all applicable laws and government regulations of any country to, from, through or over which the cargo may be carried, including those relating to the packing, carriage, or delivery of the cargo. Customer warrants that the cargo is properly marked, addressed, and packaged to withstand ocean transport and necessary ground transport. Expeditors is not liable to Customer for loss or expense due to the Customer's failure to comply with these Terms and Conditions. Customer shall indemnify and hold Expeditors harmless against any and all claims, losses, or damages arising from the conduct of Customer or any of its officers, directors, employees, agents, owners, shareholders or other persons working for or with Customer under these Terms and Conditions that constitutes a violation of the Customer's obligations, representations and warranties contained herein.

11. Expeditors shall have right to withhold delivery of the goods until all freight collect charges shown on the face of this document have been paid. Expeditors shall have a general lien on any and all property (and all documents relating thereto) of Customer in Expeditors' possession, custody or control, as well as all property en route under any agreement with Expeditors, for all claims for charges, expenses (including, without limitation, attorneys fees and costs), advances or damages incurred by Expeditors in connection with any shipments of Customer. If any claim by Expeditors remains unsatisfied for thirty (30) days after demand for its payment is made, after ten (10) days has passed from the date written notice is sent via certified or registered mail with return receipt requested from Customer, Expeditors may sell at public auction or private sale the

goods, wares and/or merchandise, or so much thereof as may be necessary to satisfy such lien, and apply the net proceeds of such sale to the payment of the amount due to Expeditors. Any surplus from such sale shall be transmitted to Customer; Customer shall be liable for any deficiency in the sale.

12. Expeditors does not undertake that the goods will be forwarded or transported from the place of receipt or will arrive at the place of consignment or destination by any particular date or time or to meet any particular market or in time for any particular use. Expeditors shall have no liability for any damages whether consequential or direct for delay in the forwarding or transportation of the goods.

13. In handling the cargo, Expeditors may choose to act as the carrier of the goods for any or all portions of the anticipated transportation. In that case, Expeditors will issue its own transport documents, and said transport documents shall govern the liability of Expeditors and supersede these Terms and Conditions during the period of time Expeditors acts as carrier under said documents.

14. Expeditors shall be discharged from all liability in respect of any loss, damage, delay, misdelivery or conversion (regardless of legal theory) unless suit is filed against Expeditors within one year after the time the cause of action against Expeditors, if any, arose. Any cause of action for loss, damage, delay, misdelivery or conversion shall arise upon delivery of the goods, or if the goods have not been delivered, then the date upon which the goods should have been delivered. Investigating, negotiating or otherwise dealing with claims by Expeditors or its legal advisers or representatives shall not be deemed a waiver of the foregoing provisions. Unless notice of loss or damage and the

general nature of such loss or damage be given in writing to Expeditors or its agent at the port of discharge before removal of the goods into the custody of the person entitled to delivery thereof, such removal shall be prima facie evidence of delivery of the goods in good order and condition as described in the Cargo Receipt issued at the time the goods were tendered to Expeditors. If the loss or damage is not apparent, written notice must be given within three (3) days after delivery, and the failure to provide such notice shall have the same effect.

15. These Terms and Conditions shall be construed according to the laws of the State of Washington, USA, without giving effect to that State's conflict of laws rules. These Terms and Conditions apply to all claims, regardless of whether said claims are founded in tort, contract, or otherwise. Any action arising from or related to these Terms and Conditions shall be prosecuted in the state or federal courts of King County, State of Washington, USA, to the exclusion of any other venue, and Customer consents to the exclusive jurisdiction of said courts. These Terms and Conditions have been drawn up in the English language at the express request of the parties hereto.

16. The provisions of these Terms and Conditions shall apply whenever a claim is made against any servant, agent, employee or affiliate of Expeditors, in which case such servant, agent, employee or affiliate shall be entitled to all rights and defenses of Expeditors set forth herein, and the aggregate liability of Expeditors and said persons shall not exceed the agreed liability of Expeditors alone as set forth herein.

17. These Terms and Conditions shall bind the exporter, importer, sender, receiver, owner, consignor, consignee, transferor and transferee of the goods, as well as all assignees or

transferees of the foregoing, all of whom shall have the obligations of “Customer” as stated herein.