

Air-Sea Forwarders, Inc.
Terms and Conditions of Service
(Revised 5/31/2018)

These terms and conditions of service constitute a binding contract between the Company and the Customer. These terms and conditions of service negate any claimed, alleged, or asserted oral contract, promise, representation or understanding between parties and supersede any previous contracts between the parties. These terms and conditions of service apply to all services provided by the Company.

In the event of a conflict or discrepancy between these terms and conditions of service, and the terms and conditions and/or conditions of contract on any other company issued document(s) issued in connection with services provided by the Company, the terms and conditions of service contained herein shall control and govern; except to the extent contrary to applicable federal or state law, rule or regulation, and/or except to the extent specifically agreed to, in writing by the Company.

These terms and conditions of service are effective as of the date noted above, and are subject to change without prior notice. Visit our website at <http://airseainc.com/terms> for the most current, published terms and conditions of service. Customer agrees that the version of these Terms and Conditions of Service are in force at the time of presentation for carriage, and apply to the shipment and its carriage. Continued use of Air-Sea Forwarders, Inc. constitutes acceptance of the amended terms and conditions of service.

1. Definitions.

- (a) "Company" shall mean **Air-Sea Forwarders, Inc.**, its subsidiaries, related companies, bona fide agents and/or representatives;
- (b) "Customer" shall mean the person for which the Company is rendering service, as well as its principals, agents and/or representatives, including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, and/or consignees. **It is the responsibility of the "Customer" to provide notice and copy(s) of these Terms and Conditions of Service to all such agents or representatives;**
- (c) "Documentation" shall mean all information received directly or indirectly from Customer, whether in paper or electronic form;
- (d) "Ocean Transportation Intermediaries" ("OTI") shall include persons or entities acting as an "ocean freight forwarder" or a "non-vessel operating carrier" (NVOCC);
- (e) "Third parties" shall include, but not be limited to, the following: "carriers, truckmen, cartmen, lightermen, forwarders, OTIs, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise".

2. Company as agent.

The Company acts as the "agent" of the Customer for the purpose of performing duties in connection with the entry and release of goods, post entry services, the securing of export licenses, the filing of export and security documentation on behalf of the Customer and other dealings with Government Agencies as to all other services, Company acts as an independent contractor.

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, whether of concealed or obvious damage, must be made in writing and received by the Company, within ten (10) days of the event for notice to be given giving rise to the claim. The failure to give the Company timely notice shall be a complete defense to any suit or action commenced by the Customer, and any such claims received after ten (10) days will be declined.
- (b) All suits against Company must be filed and properly served on Company as follows:
 - (i) For claims arising out of ocean transportation, within one (1) year from the date of the loss;
 - (ii) For claims arising out of air or ground transportation, within two (2) years from the date of the loss;
 - (iii) For claims arising out of the preparation and/or submission of an import entry(s), within seventy five (75) days from the date of liquidation of the entry(s);
 - (iv) For any and all other claims of any other type, within two (2) years from the date of the loss or damage.

4. No Liability for the Selection or Services of Third Parties and/or Routes.

- (a) 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 delivery of the shipment;
- (b) Advice by the Company that a particular person or firm has been selected to render services with respect to the goods, shall not be construed to mean that the Company warrants or represents that such person or firm will render such services, nor does Company assume responsibility or liability for any actions(s) and/or inaction(s) of such third parties 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 agent of a third party;
- (c) All claims in connection with the Act of a third party shall be brought solely against such party and/or its agents; in connection with any such claim, the Company shall reasonably cooperate with the Customer, which shall be liable for any charges or costs incurred by the Company;

5. Shipments subject to Delay

Company shall have no liability for any costs, fees or consequential damages related to the delay in any delivery or shipping of the below:

- (a) Shipments containing hazardous materials;
- (b) Shipments delayed as a result of holidays, natural disasters, riots, strikes, war, weather related conditions, acts of God, work slowdowns, or other conditions beyond the control of the Company;
- (c) Shipments subject to the inspection or detention of any government authority;
- (d) Shipments not in compliance with any government regulations;
- (e) Shipments containing cargo that exceeds 125 inches in length, or 59 inches in height, or oversized, or over 250 Lbs per piece;
- (f) Shipments lacking proper packaging, required documentation, or for which the Customer supplied consignee address is incorrect;
- (g) Shipments not properly drained or cleaned, or where the contents are falsely declared;
- (h) Shipping transit times are estimates and are not guaranteed, unless guaranteed transit service is requested by the Customer, and acknowledged and approved by the Company.

6. Quotations Not Binding.

Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges given by the Company to the Customer are for informational purposes only and are subject to change without notice; no quotation shall be binding upon the Company unless the Company in writing agrees to undertake the handling or transportation of the shipment at a specific rate or amount set forth in the quotation, and payment arrangements are agreed to between the Company and the Customer.

7. 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 behalf of Customer;

(b) Customer grants consent for the Company to disclose the Customer's EIN information to a foreign government, and to any third parties, as is necessary to facilitate transactions;

(c) 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 reasonably 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.

(d) 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 co-loaders, and represents that the 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 and co-loaders. The Customer agrees that it 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.

8. Hazardous Materials / Shipments Containing Dangerous Goods

(a) If a shipment contains Hazardous Materials/Dangerous Goods, the Customer shall be responsible to state so to the Company, in advance of shipping.

(b) The Customer must contact the Company location that will be handling the shipment to provide details of the type of hazardous material to be shipped. The Company does not accept all types of hazardous materials, at all locations. Prior notice is required to ensure that the goods can be moved.

(c) If the Company accepts a shipment of hazardous materials, the Customer agrees to be in compliance with all State and Federal requirements regarding the offering of hazardous materials, as well as to comply with the applicable rules and regulations set forth in 49 CFR (Code of Federal Regulations), IATA (International Air Transport Association) Dangerous Goods Regulations, ICAO (International Civil Aviation Organization) instructions, and/or the IMDG (International Maritime Dangerous Goods) code, including but not limited to the proper classification of the goods and personal contact information, in case of emergency.

9. Packing Requirements

All shipments tendered for transport must be prepared and packed to ensure safe transportation with normal care in handling.

(a) Articles susceptible to damage from normal care in handling must be protected by being properly packed (i.e. crating), and must be marked with appropriate labels to identify special care in handling (e.g. directional labels, tilt/tip labels, temperature labels, shock labels, etc).

(b) All shipments must be marked with the full company name and address of the shipper who originated the shipment, and the full company name and address of the final consignee.

10. Dimensional Weight Factor / Oversize Cargo / Overweight Cargo

(a) Dimensional weight factor, also known as DIM weight, volumetric weight, or cubed weight, may apply if the dimensional weight exceeds the actual weight. Freight carriers utilize the greater of the actual weight or dimensional weight to calculate shipping charges. Dimensional weight is calculated as (length × width × height) / (dimensional factor). Measurements are made in either all inches, or in all centimeters depending on origin of the shipment. The appropriate shipping factor is always used. Shipping factors vary depending on the mode of transport, and country/point of origin. The Customer agrees and understands that the dimensional factor used to calculate the weight of the shipment may increase the cost of shipping, if the dimensional weight exceeds the actual weight. The standard dimensional factor for calculations in inches are Length x Width x Height divided by 194 for Domestic service within the United States, and Length x Width x Height divided by 166 for international service.

(b) The Customer agrees and understands that cargo that is dimensionally oversize, irregularly shaped, or heavy, may be subject to additional shipping charges, beyond those noted in (a) above, depending upon the limitations of the carrier, aircraft, vessel, or vehicle.

(c) In computing charges or weight, fractions will be rounded to the next higher whole number.

11. Pickup and Delivery Services

(a) Pickups and deliveries to/from residential addresses must be requested in advance. An additional fee will apply, and pickup/delivery is allowed only at curbside.

(b) Pickups and deliveries requiring a truck equipped with a liftgate must be requested in advance. An additional fee may apply for a liftgate equipped truck.

(c) Driver waiting times exceeding 14 minutes, may incur an additional fee.

12. Prepaid or Collect Charges

(a) Shipments will be accepted with either prepaid or collect payment terms. With prior approval, Company may bill to a third party. If the third party should refuse payment for any reason, liability for payment shall revert to the party who requested third party billing.

(b) The following types of shipments must be prepaid, or billed to a third party:

1. Shipments addressed to an exhibition, fair, or similar grounds; and
2. Shipments addressed to a hotel guest.

13. Declaring a Higher Value to Third Parties.

Third parties to whom the goods are entrusted may limit liability for loss or damage; the Company will request excess valuation coverage only upon specific written instructions from the Customer, which must agree to pay any charges therefore; in the absence of written instructions or the refusal of the third party to agree to a higher declared value, at the Company's discretion, the goods may be tendered to the third party, subject to the terms of the third party's limitations of liability and/or terms and conditions of service.

14. Insurance.

Unless requested to do so in writing and confirmed to Customer in writing, Company is under no obligation to procure insurance on Customer's behalf; in all cases, Customer shall pay all premiums and costs in connection with procuring requested insurance. Shipments for which insurance is requested are subject to the terms and conditions established by the insurance carrier.

15. Disclaimers; Claims; 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, US\$50.00 per shipment or transaction;
 - (ii) Where the claim arises from activities relating to "Customs business," US\$50.00 per entry or the amount of brokerage fees paid to Company for the entry, whichever is less;
 - (iii) Where the claim arises from Air and Ground U.S. Domestic Shipments, \$0.50 per pound, multiplied times the number of pounds of each piece of the shipment which may have been lost or damaged, unless a value was declared and insurance purchased through the Company;
 - (iv) Where the claim arises from International Air Shipments, 19 special drawing rights (SDR's) per kilogram, times the number of kilograms of each piece of the shipment which may have been lost or damaged, unless a value was declared and insurance purchased through the Company; or
 - (v) Where the claim arises from Ocean Shipments, where the Company shall have issued its NVOCC bill of lading, the limitation of liability is determined in accordance with the "Carriage of Goods by Sea Act", unless a value was declared and insurance purchased through the Company.
- (d) If the consignee accepts the shipment without a notation of damage at the time of delivery on the bill of lading, delivery order, or other carrier provided delivery document, it is then presumed that the shipment was delivered in good condition, and damage or loss reported thereafter will be considered concealed.
- (e) 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.

16. Advancing Money.

All charges must be paid by Customer in advance unless the Company agrees in writing to extend credit to customer; the granting of credit to a Customer in connection with a particular transaction shall not be considered a waiver of this provision by the Company.

17. Indemnification/Hold Harmless.

The Customer agrees to indemnify, defend, and hold the Company harmless from any claims and/or liability, fines, penalties and/or attorneys' fees arising from the importation or exportation of customer's 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.

18. Notice of Civil and Criminal Penalties

Customer agrees and certifies that all verbal and written statements, information, and documentation provided to the Company are true and correct; Customer acknowledges that civil and criminal penalties, including forfeiture and sale, may be imposed for making false or fraudulent statements or declarations in violation of United States Laws, or for violation of laws of other countries.

19. C.O.D. or Cash Collect Shipments

Company shall use reasonable care regarding written instructions relating to "Cash/Collect on Deliver (C.O.D.)" shipments, bank drafts, cashier's and/or certified checks, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies but shall not have liability if the bank or consignee refuses to pay for the shipment; Customer shall be ultimately responsible for payment of charges billed by Company.

20. Overcharges and Refunds

Claims for refunds, overcharges, or duplicate payments must be made in writing to the corporate headquarters, within 90 days of the date of the delivery of the subject shipment. All claims exceeding the 90 day time limit are deemed waived by the customer. The mailing address for the Corporate Headquarters is: Air-Sea Forwarders, Inc., P.O. Box 90637, Los Angeles, CA 90009, Attn: Accounts Receivable.

21. Costs of Collection.

In any dispute involving monies owed to Company, the Company shall be entitled to all costs of collection, including reasonable attorney's fees and interest at 15 % per annum, or the highest rate allowed by law, whichever is less unless a lower amount is agreed to by Company.

22. Unclaimed Shipments

At the expiration of free storage time, if the shipment remains unclaimed, or delivery cannot be made, Company will notify the Customer, Shipper and/or Consignee by telephone, e-mail, fax, and/or mail, at the address shown on the waybill, bill of lading, or other documentation provided. The Customer is liable for all costs associated with the return, forwarding, reconsigning, and/or disposal of the shipment, including all fees and expenses due carriers as a result.

23. Force Majeure

Company shall not be liable for losses, damages, delays, wrongful or missed deliveries or nonperformance, in whole or in part, of its responsibilities under this Agreement, resulting from circumstances beyond the control of either Company or its sub-contractors, including but not limited to:

- (i) Acts of God, including flood, earthquake, storm, hurricane, power failure or other natural disaster;
- (ii) War, hijacking, robbery, theft or terrorist activities;
- (iii) Incidents or deteriorations to means of transportation;
- (iv) Embargoes;
- (v) Civil commotions or riots;
- (vi) Defects, nature or inherent vice of the goods;
- (vii) Acts, breaches of contract or omissions by Customer, Shipper, Consignee or anyone else who may have an interest in the shipment;

- (viii) Acts by any government or any agency or subdivision thereof, including denial or cancellation of any import/export or other necessary license; or
- (ix) Strikes, lockouts, work slowdowns or other labor conflicts.

24. 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's, coming into Company's actual or constructive possession, custody, or control, or enroute, which lien shall survive delivery, for all charges, expenses or advances owed to the 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.

25. No Duty to Maintain Records for Customer.

Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act, as amended, (19 USC §1508 and 1509) it has the duty and is solely liable for maintaining all records required under the Customs and/or other Laws and Regulations of the United States; unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by Statute(s) and/or Regulation(s), but not act as a "record keeper" or "recordkeeping agent" for Customer.

26. Obtaining Binding Rulings, Filing Protests, etc.

Unless requested by Customer in writing, and agreed to by Company in writing, Company shall be under no obligation to undertake any pre- or post Customs release action, including, but not limited to, obtaining binding rulings, advising of liquidations, filing of petition(s) and/or protests, etc.

27. No Duty to Provide Licensing Authority.

Unless requested by Customer in writing, and agreed to by the Company in writing, Company shall not be responsible for determining licensing authority, or obtaining license or other authority, pertaining to the export from or import into the United States.

28. Preparation and Issuance of Bills of Lading.

Where Company prepares and/or issues a bill of lading, Company shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc.; unless specifically requested to do so in writing by Customer or its agent and Customer agrees to pay for same, Company shall rely upon and use the cargo weight supplied by Customer.

29. Modification and Amendment.

The Company has the right to revise and amend these Terms and Conditions from time to time by sending you written notice by electronic mail or by posting the updated Terms and Conditions on Company's website. Customer's continued use of Company's services shall constitute its acceptance of the Terms and Conditions as modified. Customer shall be subject to the terms and conditions in force at the time of the transaction.

30. Compensation of Company.

The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by the Company to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends, or other revenue received by the Company from carriers, insurers and others in connection with the shipment. On ocean exports, where company has acted as an ocean freight forwarder, upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for monies due the Company, upon recovery by the Company, the Customer shall pay the expenses of collection and/or litigation, including a reasonable attorney fee.

31. Severability

In the event any paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in full force and effect. Company's decision to waive any provision herein, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.

32. Governing Law; Consent to Jurisdiction and Venue.

These terms and conditions of service and the relationship of the parties shall be construed according to the laws of the State of California without giving consideration to principals of conflict of law, notwithstanding international treaty or convention.

Customer and Company

- (a) Irrevocably consent to the jurisdiction of the United States District Court and the State courts of California;
- (b) Agree that any action relating to the services performed by Company shall only be brought in said courts;
- (c) Consent to the exercise of *in personam* jurisdiction by said courts over it, and
- (d) Further agree that any action to enforce a judgment may be instituted in any jurisdiction.

Based upon the National Customs Brokers and Forwarders Association of America, Inc. (NCBFFA), Terms & Conditions of Service