

CONDITIONS OF CONTRACT

1. Carriage and other services performed hereunder are subject to these conditions and the rates, rules and classifications set forth in the Forwarder's currently effective tariffs, which are available for inspection and incorporated into this contract by reference.
2. As used in the contract, " Forwarder" means KFS Air Freight Services and its authorized agents.
3. In tendering the shipment for carriage, 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 as specified.
4. All shipments may, at Forwarder's option, be opened and inspected. This document shall become a binding contract upon acceptance thereof by forwarder.
5. Forwarder shall not be liable for loss, damage, delay or other results caused by (a) act of God, public enemies, public authorities acting with actual or apparent authority, authority of law, quarantine, riots, strikes, civil commotions, or hazards or danger incident to a state of war; (b) the act of 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 of special instructions.
6. Forwarder shall not be liable for special, incidental, or consequential damages, including by not limited to loss of profits or income, whether or not Forwarder had knowledge that such damages may be incurred.
7. In consideration of Forwarder's rate for the 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 unless a higher value is declared at time of shipment and a greater charge paid at the rate of \$.50 per \$100.00, the limit of Forwarder's liability shall be limited to the greater of \$50.00 or \$0.50 per pound, or the value declared by the shipper on the waybill at origin, plus the amount of Forwarder's transportation charges applicable to that part of the shipment lost or damaged. Such (declared) value may not be change after acceptance by KFS, "NVD" shall mean "No Value Declared." In no event shall Forwarder be liable for special, incidental or consequential damages, including by not limited to loss of profits or income whether or not Forwarder had knowledge that such damages might be incurred. Maximum declared value is \$25,000 without prior notice.
8. The shipper and the consignee shall be liable, jointly and severally, (1) for all unpaid charges payable on account of a shipment pursuant to this Contract, and (b) to pay or indemnify Forwarder for all claims, fines, penalties, damages, costs or other sums which may be incurred by Forwarder by reason of any violation of this Contract or any other default of the shipper or consignee of their agents. **ALL PAYMENTS AND PERFORMANCE SHALL BE MADE IN TARRANT COUNTY, TEXAS.**
9. Forwarder shall have a lien on the shipment for all sums due and payable to Forwarder.
10. In the event of the failure or inability of the consignee to take delivery of the shipment, forwarder will notify shipper in writing at the address shown on the airbill and request disposition instructions. If the shipper fails to provide disposition instructions within 30 days after the date of Forwarder's notice. Forwarder will return the shipment to the shipper at public or private sale and pay itself out of the proceeds to satisfy the transportation charges owing on the shipment. Any sums collected by Forwarder in excess of such transportation charges will be paid to the shipper. No sale or disposal pursuant to this role will discharge any liability or lien to any greater extent than the proceeds thereof. The shipper and the consignee shall remain liable, jointly and severally, for any deficiency.
11. Forwarder will exercise due diligence in routing shipments. In the absence of specific contrary instructions by the shipper on the airbill. Forwarder may divert any shipment to surface transportation in order to expedite its movement. Regardless of the method of transportation employed, the Forwarder's air freight charges from origin to destination will apply.
12. Claims for loss of damage discovered by the consignee after delivery and after a clear receipt has been given to Forwarder must be reported in writing to Forwarder within 15 days after delivery of the shipment, with privilege to Forwarder to inspect the shipment and its container(s) and packing material within 15 days after receipt of such notice. (On shipments to Puerto Rico and Canada, claims must be reported within 7 days after delivery.
13. Other Claims for loss or damage must be made in writing within a period of 270 days after the date of acceptance of the shipment for Forwarder. (On shipments to Puerto Rico and Canada, claims must be made within 120 days.)
14. No claims with respect to a shipment any part of which is received by the consignee will be entertained until all transportation charges have been paid.
15. Claims for overcharges or duplicate payment, must be made in writing within a period of one year after the date of acceptance of shipment for the Forwarder.
16. Forwarder shall not be liable in any action unless a claim has been filed and such action is brought within 1 year after the date written notice is given to the claimant that Forwarder has disallowed the claim in full or in part. (On shipments to Canada, action must be brought within 2 years of shipment.)
17. International air carriage is subject to the rule relating to the liability established by Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, October 12, 1929.
18. To the extent that it is not governed by Federal Law, this Contract and tariffs incorporated by reference shall be construed and the performance of the transportation hereunder shall be determined in accordance with the laws of the State in which the contract is accepted by the Forwarder. If any provision of the Contract, including the tariffs incorporated by reference, is determined to be invalid or unenforceable, the remainder of the Contract shall not be affected thereby.
19. KFS Air Freight is insured per the following limit of liability: \$1,000,000.00 per sending \$2,000,000.00 per occurrence.
20. It shall be understood that this contract has been prepared by the shipper or by the carrier on his behalf. However it shall be the sole responsibility of the shipper to assure the completeness and accuracy of the data inserted hereon.