

THIS AGREEMENT IS FOR INTERNATIONAL AIR TRANSPORTATION ONLY

NOTICE CONCERNING EXPEDITORS' LIMITATION OF LIABILITY

If the carriage involves an ultimate destination or stop in a country other than the country of departure, the Montreal Convention or the Warsaw Convention, as defined below, may be applicable to the liability of Expeditors International of Washington, Inc., and its subsidiaries and affiliates (hereinafter "Expeditors") in respect of loss, damage, or delay to cargo. Expeditors' limitation of liability in accordance with those Conventions shall be as set forth in subparagraph 4 unless a higher value is declared in advance by the Shipper and a supplementary charge paid if required.

CONDITIONS OF CONTRACT

1. As used in this contract:

1.1 "Carrier" means all carriers that carry or undertake to carry the cargo hereunder or perform any other services incidental to such air carriage.

1.2 "Warsaw Convention" means, (a) the Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, 12 October 1929, or (b) that Convention as amended at The Hague, 28 September 1955, or (c) that Convention as amended at The Hague 28 September 1955 and by Montreal Protocol No. 1, 2, or 4 (1975), whichever may be applicable.

1.3 "Montreal Convention" means the Convention for Unification of Certain Rules for International Carriage by Air, signed at Montreal on 28 May 1999.

1.4 "Special Drawing Right" is a Special Drawing Right as defined by the International Monetary Fund and may fluctuate in value.

2. 2.1 Carriage hereunder is subject to the rules relating to liability established by the Warsaw Convention or the Montreal Convention unless such carriage is not "international carriage" as defined by the applicable Convention.

2.2 To the extent not in conflict with the foregoing, carriage hereunder and other services performed by Expeditors and carriers are subject to:

2.2.1 Applicable laws (including national laws implementing the applicable Convention), government regulations, orders and requirements;

2.2.2 Provisions herein set forth; and

2.2.3 Applicable tariffs, rules, conditions of carriage, regulations and timetables (but not the times of departure and arrival therein) of Expeditors; which are made part hereof and which may be inspected at any of its offices and at airports from which it operates regular services. In transportation between a place in the United States or Canada and any place outside thereof the applicable tariffs are the tariffs in force in those countries.

3. The first carrier's name may be abbreviated on the face hereof, the full name and its abbreviation being set forth in such carrier's tariffs, conditions of carriage, regulations and timetables. The first

carrier's address is the airport of departure shown on the face hereof. The agreed stopping places (which may be altered by Expeditors or any carrier in case of necessity) are those places, except the place of departure and the place of destination, set forth on the face hereof or shown in carrier's timetables as scheduled stopping places for the route. Carriage to be performed hereunder by several successive carriers is regarded as a single operation.

4. Except as otherwise provided in Expeditors' tariffs or conditions of carriage, in carriage to which the Montreal Convention does not apply Expeditors' liability limitations for cargo lost, damaged or delayed shall be 19 SDRs per kilogram unless a greater per kilogram monetary limit is provided in any applicable Convention or in Carrier's tariffs or general conditions of carriage or a higher value is declared by the Shipper and a supplementary charge paid.
5. If the sum entered on the face of the air waybill as "Declared Value for Carriage" represents an amount in excess of the applicable limits of liability referred to in the above Notice and in these Conditions and if the Shipper has paid any supplementary charge that may be required by Expeditors' tariffs, conditions of carriage or regulations, this shall constitute a special declaration of value and in this case Expeditors' limit of liability shall be the sum so declared. Payment of claims shall be subject to proof of actual damages suffered.
6. In any case of loss of, damage to, or delay to a shipment, the weight to be used in determining Expeditors' limit of liability shall be the weight that is used to determine the charge for carriage of such shipment. In any case of loss of, damage to, or delay to part of the cargo, the weight to be taken into account in determining Expeditors' limit of liability shall be only the weight of the package or packages concerned.
7. Any exclusion or limitation of liability applicable to Expeditors shall apply to and be for the benefit of Expeditors' agents, servants and representatives and any person whose aircraft or other form of conveyance is used by Expeditors for carriage and its agents, servants and representatives. For purposes of this provision Expeditors acts herein as agent for all such persons.
8. 8.1 Expeditors undertakes to complete the carriage hereunder with reasonable dispatch. Expeditors may use alternate carriers or aircraft and may without notice and with due regard to the interests of the Shipper use other means of transportation. Expeditors is authorized by Shipper to select the routing and all intermediate stopping places that it deems appropriate or to change or deviate from the routing shown on the face hereof.  
  
8.2 If Shipper requests motor carrier service or if Expeditors decides that Shipper's shipment should be transported by motor carriage rather than air for all or part of the transportation, Expeditors shall arrange with authorized motor carrier(s) to perform such transportation, which shall be done either as exempt carriage as defined by 49 U.S.C. § 13506(a)(8), or, if not exempt, as "contract carriage" within the meaning of 49 U.S.C. § 13102(4)(B) on the same cargo liability limitations and terms as contained in these Conditions. Shipper expressly waives all rights and remedies it may have as to Expeditors and its subcontractor motor carriers under 49 U.S.C. Subtitle IV, Part B (excluding §§ 13703, 13706, 14101 and 14103) to the full extent permitted by 49 U.S.C. § 14101(b)(1), each as amended from time to time.
9. Subject to the Conditions herein, Expeditors shall be liable for the cargo during the period it is in its charge or the charge of its agent.

10. 10.1 Except when Expeditors has extended credit to the consignee without the written consent of the Shipper, the Shipper guarantees payment of all charges for carriage due in accordance with Expeditors' tariffs, conditions of carriage and related regulations, applicable laws (including national laws implementing the applicable Convention), government regulations, orders and requirements.

10.2 Shipper shall not offset claims against amounts owed to Expeditors on its invoices.

10.3 In the event any carrier, governmental agency, or other person makes a claim or institutes legal action against Expeditors for air, motor, or other cargo revenue, fees, commissions, duties, fines, penalties, direct or indirect losses, actual, consequential, or liquidated damages, restitution, disgorgement, or other moneys arising out of a shipment of cargo of Shipper, Shipper agrees to defend, indemnify, and hold harmless Expeditors for any amount Expeditors incurs, including reasonable attorneys' fees and other expenses in defending against such claim or legal action and in obtaining reimbursement from Shipper. The confiscation or detention of the cargo by any governmental agency shall not diminish the obligation of Shipper to Expeditors to pay, promptly on demand, all amounts owed under this paragraph or other charges or money due.

10.4 These Conditions and any act or contract to which they apply shall be governed by the applicable Convention, the laws of the United States and of the State of Washington, without regard to the choice-of-law rules of Washington or any other State. SHIPPER AND EXPEDITORS AGREE THAT ANY CLAIM OR DISPUTE ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT, WHETHER UNDER FEDERAL, STATE, LOCAL, OR FOREIGN STATUTES, REGULATIONS, OR COMMON LAW, SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS SERVING SEATTLE, WASHINGTON. SHIPPER AND EXPEDITORS HEREBY CONSENT TO THE JURISDICTION OF SUCH COURTS.

11. 11.1 Receipt by the person entitled to delivery of the cargo without complaint shall be prima facie evidence that the cargo has been delivered in good condition and in accordance with the contract of carriage. The person entitled to delivery or the Shipper must make a complaint to Expeditors in writing in the case:

11.1.1 Of damage to or partial loss of the cargo, immediately after discovery of the damage or shortage and at the latest within fourteen (14) days from receipt of the cargo;

11.1.2 Of delay, within twenty-one (21) days of the date the cargo are placed at the disposal of the person entitled to delivery; and

11.1.3 Of non-delivery of the cargo, within one hundred and twenty (120) days from the date of the issue of the air waybill, or if an air waybill has not been issued, within one hundred and twenty (120) days from the date of the receipt of the cargo for transportation by Expeditors.

11.2 For the purpose of 11.1, complaint in writing must be made to Expeditors regardless of the carrier whose air waybill was used, and regardless of those carriers that were the first carrier, the last carrier or the carrier who performed the transportation during which the loss, damage or delay took place. Unless a written complaint is made within the time limits specified in 11.1 no action may be brought against Expeditors.

11.3 Any rights to damages against Expeditors shall be extinguished unless an action is brought within two (2) years from the date of arrival at the destination, or from the date on which the aircraft ought to have arrived, or from the date on which the transportation stopped.

11.4 In the event Shipper files an action against Expeditors, Shipper hereby consents to any Expeditors-instituted transfer of such action to any other venue in which Expeditors is a party or subsequently becomes a party to an action concerning loss, damage or delay to the cargo that is the subject of Shipper's action.

11.5 In no event shall Expeditors be liable for incidental, consequential, punitive, exemplary, or non-compensatory damages or for restitution or disgorgement.

12. The Shipper shall comply 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 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"). The Shipper 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. Pursuant to the foregoing, Shipper shall furnish such information and attach documents to this air waybill as may be necessary to comply with such laws and regulations. Shipper warrants that the cargo is properly marked, addressed, and packaged to withstand air transport and necessary ground transport. Expeditors is not liable to the Shipper for loss or expense due to the Shipper's failure to comply with this agreement. Shipper shall indemnify and hold Expeditors harmless against any and all claims, losses, or damages arising from the conduct of Shipper or any of its officers, directors, employees, agents, owners, shareholders or other persons working for or with Shipper under this agreement that constitutes a violation of the representations and warranties contained herein.
13. No agent, servant, or representative of Expeditors has authority to alter, modify, or waive any provisions of this contract, including any of these Conditions. No waiver by Expeditors of, or failure by Expeditors to perform, any provision of this contract (including any of these Conditions) shall be deemed a waiver of any other provision (or Condition).
14. If Expeditors offers insurance and such insurance is requested, and if the appropriate premium is paid and the fact recorded on the face hereof, the cargo covered by this air waybill is insured under an open policy for the amount requested as set out on the face hereof (recovery being limited to the actual value of cargo lost or damaged provided that such amount does not exceed the insured value). The insurance is subject to the terms, conditions and coverage (from which certain risks are excluded) of the open policy, which is available for inspection at an office of Expeditors by the interested party. Claims under such policy must be reported immediately to an office of Expeditors.
15. Expeditors shall have a continuing general lien upon all goods and documents in its possession, custody, or control or en route for all amounts owed to Expeditors, including all charges, expenses, duties, fines, penalties, or advances in connection with any shipment or other transaction involving Shipper. This lien supplements Expeditors' other rights under any other agreements and/or applicable law and can be extinguished only by full and indefeasible payment of all secured amounts. If Shipper defaults in the payment of any such amounts, then Expeditors may sell such property by public auction or private sale. Any notice required to be given by Expeditors of a sale or other intended action with respect to any goods or documents, made by

sending same to Shipper at least ten (10) days prior to any proposed action shall constitute fair, reasonable and adequate notice to Shipper. Shipper is liable for any deficiency from any sale.

16. All packages containing hazardous materials/dangerous goods shall be limited to the materials and quantities authorized for air transportation under the U.S. Department of Transportation hazardous materials transportation regulations (49 C.F.R. Parts 171, 172, and 173) and the current edition of the International Air Transport Association (IATA) Dangerous Goods Regulations (together "Regulations"). Shipper and its agents shall comply with the Regulations regardless of the routing or the mode by which the shipment is transported. Each shipment requiring a Shipper's Declaration for Dangerous Goods under the Regulations shall be accompanied by properly executed documents in conformance with the requirements of the Regulations. If a shipment contains hazardous materials/dangerous goods, the contents shall be – and Shipper hereby certifies they are – fully and accurately described on the air waybill or other shipping document by proper shipping name and are classified, packaged, marked and labeled, and in proper condition for carriage by air (or, if tendered for other mode of transportation, then for carriage by such other mode) according to the Regulations and any other applicable national governmental regulations. Shipper hereby declares that all of the applicable air transport requirements have been met.
  
17. Shipper acknowledges that Expeditors, like all indirect air carriers, is required by the federal Transportation Security Administration ("TSA") to maintain an air cargo security program. If Shipper is acting as an agent, authorized representative, broker, carrier, or other freight intermediary for any person or entity that originates and tenders cargo for air transportation, Shipper shall disclose that fact to Expeditors and shall assist Expeditors in complying with the TSA requirements by enabling Expeditors to obtain any necessary documents from, or otherwise qualify, such person or entity. As required by TSA regulations (49 C.F.R. § 1548.9(b)), Shipper, or such person or entity that originates and tenders cargo for air transportation, hereby consents to an inspection of the cargo.