

## 1. Introduction

AIT Worldwide Logistics, Inc. (AIT) is licensed as and operates as a Freight Forwarder and Indirect Air Carrier (IAC). In tendering shipment(s) for international air transportation, Customer agrees to be bound by these Terms and Conditions of Contract of Carriage; and indicates its understanding that the AIT waybill, bill of lading or other shipping document utilized is non-negotiable. No agent or employee of the parties may alter these Terms and Conditions, unless in writing and signed by both parties.

This agreement shall utilize the following definitions:

- “AIT” includes the carrier issuing this air waybill and all carriers that carry or undertake to carry the cargo or perform any other services related to such carriage.
- “CUSTOMER” means the party from whom the shipment(s) is received, any party requesting the shipment(s) be transported by AIT, any party having an interest in the shipment(s), and any party who acts as an agent for the aforementioned parties.
- “SPECIAL DRAWING RIGHT” (SDR) is a monetary reserve currency created by the International Monetary Fund (IMF), and shall be defined and valued in accordance with prevailing IMF publications.
- “WARSAW CONVENTION” means whichever of the following instruments is applicable to the contract of carriage:
  - the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw, 12 October 1929;
  - that Convention as amended at The Hague on 28 September 1955;
  - that Convention as amended at The Hague 1955 and by Montreal Protocol No. 1, 2, or 4 (1975) as the case may be.
- “MONTREAL CONVENTION” means the Convention for the Unification of Certain Rules for International Carriage by Air, done at Montreal on 28 May 1999.

Carriage 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 Conventions. To the extent not in conflict with the foregoing, carriage and other related services performed by each carrier are subject to applicable laws and government regulations;

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

Customer warrants and represents to AIT that the information set forth on the face of the AIT waybill, bill of lading(s), or other shipping document, or the information supplied to AIT electronically regarding any shipment(s), is complete and accurate; and that each package and/or article in the shipment(s) is properly and completely described including correct weight and measurement, is adequately packaged to protect the enclosed goods from loss or damage with ordinary care in handling, is properly classified, described, packaged, marked and labeled and is in proper condition for transportation according to the

applicable regulations of the U.S. Department of Transportation and the Transportation Security Administration, including without limitation all regulations governing the transportation of hazardous materials, regardless of mode of transport based on 49 C.F.R. Parts 171, 172 and 173 or the current edition of the International Air Transport Association (IATA) Dangerous Goods Regulations. Customer's violation of any of these warranties will excuse AIT from any liability whatsoever for damage to any item(s) incurred as a result of such violation, and shall also cause Customer to be liable to AIT for all claims, fines, penalties, damages, costs, or other sums, including reasonable attorneys' fees, incurred by AIT as a result of such violation.

## **2. Liability**

- 2.1 If the carriage involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention or the Montreal Convention may be applicable and in most cases limit the liability of AIT in respect of loss of, damage or delay to cargo. Depending on the applicable regime, and unless a higher value is declared, the liability of AIT shall be limited to 19 SDR per kilogram, converted into national currency under applicable law.
- 2.2 For cargo accepted for carriage, the Warsaw Convention and the Montreal Convention permit shipper to increase the limitation of liability by declaring a higher value for carriage, but such options may be exercised only by specific written agreement made with AIT prior to shipment, which agreement shall indicate the declared agreed value and the additional compensation for the added liability to be assumed.
- 2.3 For carriage to which neither the Warsaw Convention nor the Montreal Convention applies, AIT's liability shall be limited to 19 SDR per kilogram for cargo lost, damaged or delayed, unless a higher value is declared in advance by the Shipper and a supplementary charge is paid.
- 2.4 Any insurance procured by or on behalf of Customer shall be governed by the certificate or policy issued and will only be effective when accepted by such insurance companies and underwriters. Insurance coverage provided by AIT will be assessed at a rate negotiated between the parties separate from any freight charges. Recovery under such policy is limited to the actual value of cargo lost or damaged, provided that such amounts do not exceed the insured value. Shipments must be packaged to withstand the normal hazards of transportation for any claim to be valid. In the event Customer does not elect to insure all or part of a shipment, AIT's liability for any losses, damages or delays to such shipment shall be limited in accordance with the provisions of these Terms and Conditions.
- 2.5 In the case of loss, damage or delay to a shipment, the weight to be used in determining the limit of AIT's liability shall be the weight used to determine the charge for carriage of such shipment.
- 2.6 In the case of loss, damage or delay to part of a shipment, the weight to be taken into account in determining the limit of AIT's liability shall be only the weight of the package or packages concerned.
- 2.7 In the case of loss of, damage or delay to part of a shipment, the shipment weight in 2.5 shall be prorated to the packages covered by the same air waybill whose value is affected by the loss, damage or delay. The weight applicable in the case of loss or damage to one or more articles in a package shall be the weight of the entire package.

2.8 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.

### **3. Liabilities Not Assumed**

3.1 AIT shall not, under any circumstances, be liable for punitive or exemplary damages, or for special, consequential, or indirect damages, including without limitation, damages arising from loss of profit, income, interest, utility, or loss of market, whether or not AIT had knowledge that such damages might be incurred.

3.2 AIT will not arrange to insure goods unless specific written instructions from Customer providing the kind and amount of insurance have been received and acknowledged by AIT in sufficient time prior to shipment from point of origin.

3.3 AIT shall not be liable for loss, damage, delay or monetary losses of any type caused by: Acts of God; acts of public authorities acting with actual or apparent authority; strikes or labor disputes; weather; mechanical failures; aircraft failures; civil commotions or riots; acts or omissions of customs or quarantine officials; the nature of the freight or any defects thereof; acts of public enemies; hazards incident to a state of war; acts of terrorism; or acts, defaults, or omissions of Customer, the shipper or the consignee, including but not limited to improper packing, incorrect marking or incomplete or inaccurate shipping instructions, or failure to observe these Terms and Conditions or the rules relating to freight not acceptable for transportation or freight acceptable only under certain conditions as set forth in Section 3.5 below. In the event the foregoing liability exclusions are in conflict with the provisions of an applicable Convention, the provisions of such Convention shall govern.

3.4 AIT shall not be liable for loss or damage to exterior packaging or outside shipping containers.

3.5 AIT will not accept for transportation any shipment or commodity prohibited by law. In addition, the following items are not acceptable for carriage and will not be accepted by AIT: original works of art; antiques; bonds; coins of any kind, currency and currency equivalents; furs and fur clothing; gems and stones (cut or uncut); industrial diamonds; gold or silver jewelry (other than costume jewelry); pearls; precious metals; negotiable securities; time sensitive written materials (such as contract bids and proposals); software licenses; electronic data (i.e., data stored on computers, discs, credit cards, etc.); household goods and personal effects; one-of-a-kind articles, models or prototypes; valuable rugs (i.e., oriental rugs or Persian rugs); original prints and lithographs; bagged goods; cement; fertilizer; fishmeal; bulk commodities; fresh fruits; fresh vegetables; live animals; live plants; human remains of any kind; nuclear fuels; confectionery chocolates; ceramics; pottery; porcelain; marble; granite; china; glassware; fluorescent tubes; neon lighting; neon signs; x-ray tubes; glass mirrors; windows; glass or other inherently fragile items; and such other articles as provided in AIT's governing tariffs, individual contracts and/or service guide. Except as otherwise provided in these Terms and Conditions, no employee or agent of AIT has any authority to accept such articles for transportation or to waive the limitations contained herein

3.6 Should AIT inadvertently accept for transportation(A) any article(s) as defined in Section 3.5 herein or (B) articles with a purported declared value for which Customer has not secured AIT's prior approval as required in Section 2.2 above, AIT's liability for loss or damage thereto shall be limited

pursuant to the terms of Section 2 above for shipments on which no excess value has been declared.

#### **4. Claims Process**

- 4.1 No claims will be considered until all transportation charges have been paid. Claims may not be deducted from transportation charges and no claims may be deducted from any other charges owed to AIT. AIT reserves the right to deduct claim payments from open Customer balances. When no part of the consignment is delivered, a claim with respect to such consignment will be considered even though transportation charges thereon are unpaid.
- 4.2 In the case of loss, damage or delay to cargo a written complaint must be made to AIT by the person entitled to delivery or the Customer. Such complaint must be made: (i) in the case of damage to the cargo, immediately after discovery of the damage and at the latest within 14 days from the date of receipt of the cargo; (ii) in the case of delay, within 21 days from the date on which the cargo was placed at the disposal of the person entitled to delivery; (iii) in the case of non-delivery of the cargo, within 120 days from the date of issue of the air waybill, or (iv) if an air waybill has not been issued, within 120 days from the date of receipt of the cargo for transportation by AIT.
- 4.3 Formal claims, notices, and all related correspondence shall be filed with AIT at P.O. Box 66730, Chicago, IL 60666-0730 or emailed to Claimsadmin@aitworldwide.com.
- 4.4 Unless a written complaint is made within the time limits specified in 4.2, no action may be brought against AIT. Any rights to damages against AIT 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 carriage stopped.
- 4.5 Any claim for damage to Customer's, the shipper's and/or the consignee's premises incurred during performance of services by AIT will be deemed untimely unless noted on the air waybill or other relevant shipping document or reported to AIT in writing within 24 hours of service at that location. Failure of Customer, the shipper and/or the consignee to notify AIT's Corporate Office of any such damage in a timely manner will be grounds for declination of any such claim; and Customer, the shipper and/or the consignee will be barred from pursuing any such claim in a court of law or otherwise. In order for AIT to consider any such claim, AIT must be allowed the privilege to make inspection of any property damage.

#### **5. Legal**

- 5.1 The shipper guarantees payment of all charges for the carriage due in accordance with AIT's tariff, conditions of carriage and related regulations, applicable laws (including national laws implementing the Warsaw Convention and the Montreal Convention), government regulations, orders and requirements. Customer, the shipper and the consignee shall be liable jointly and severally for all charges incurred in connection with the transportation and/or handling of any shipment tendered to AIT which shall include special handling fees, duties or taxes which have been advanced; and shall pay or indemnify AIT for claims, fines, penalties, damages, costs (including but not limited to those for storage, handling, reconsignment, return of freight to the shipper, and other services) or other sums which may be incurred by AIT by reason of any violation

of these Terms and Conditions or any other default of Customer, the shipper or the consignee or their agents.

- 5.2 AIT 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 AIT, including all charges, expenses, duties, fines, penalties, or advances in connection with any shipment or other transaction involving Customer. This lien supplements AITs' 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 Customer defaults in the payment of any such amounts, then AIT may sell such property by public auction or private sale. Any notice required to be given by AIT 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. Shipper shall not offset claims against amounts owed to AIT on its invoices.
- 5.3 Any exclusion or limitation of liability applicable to AIT shall apply to AIT's agents, employees, and representatives and to any person whose aircraft or equipment is used by AIT for carriage and such person's agents, employees and representatives.
- 5.4 AIT undertakes to complete the carriage with reasonable dispatch. Where permitted by applicable laws, tariffs and government regulations, AIT may use alternative carriers, aircraft or modes of transport without notice but with due regard to the interests of the Customer. AIT is authorized by the Customer to select the routing and all intermediate stopping places that it deems appropriate or to change or deviate from the routing shown on the shipping documents. If Customer requests motor carrier service or if AIT decides that Customer's shipment should be transported by motor carriage rather than air for all or part of the transportation, AIT shall arrange with authorized motor carrier(s) to perform such transportation which shall be done either as an exempt carrier 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. Customer expressly waives all rights and remedies it may have as to AIT 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.
- 5.5 In the event any carrier, governmental agency, or other person makes a claim or institutes legal action against AIT 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 Customer, Customer agrees to defend, indemnify, and hold harmless AIT for any amount AIT incurs, including reasonable attorneys' fees and other expenses in defending against such claim or legal action and in obtaining reimbursement from Customer. The confiscation or detention of the cargo by any governmental agency shall not diminish the obligation of Customer to pay AIT, promptly on demand, all amounts owed under this paragraph or other charges or monies due.
- 5.6 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 Illinois, without regard to the choice-of-law rules of Illinois or any other State. CUSTOMER AND AIT AGREE THAT ANY CLAIM OR DISPUTE ARISING OUT OF THESE TERMS AND CONDITIONS AND/OR THE PROVISION OF TRANSPORTATION

SERVICES BY AIT FOR CUSTOMER, WHETHER UNDER FEDERAL, STATE, LOCAL, OR FOREIGN STATUTES, REGULATIONS, OR COMMON LAW, SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS SERVING DUPAGE COUNTY, ILLINOIS. CUSTOMER AND AIT HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS AND WAIVE JURISDICTION OF ALL OTHER COURTS.

- 5.7 The Customer shall comply with all applicable laws and government regulations, including anticorruption 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 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 licensing, classification, valuation, marking and other Customs requirements, packing, carriage, or delivery of the cargo. Pursuant to the foregoing, Customer shall furnish such information and attach documents to this air waybill as maybe necessary to comply with such laws and regulations. Customer warrants that the cargo is properly marked, addressed, and packaged to withstand air transport and necessary ground transport. AIT is not liable to the Customer for loss or expense due to the Customer's failure to comply with this agreement. Customer shall indemnify and hold AIT 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 this agreement that constitutes a violation of the representations and warranties contained herein.
- 5.8 Customer, the shipper and the consignee shall hold AIT and its agents harmless for loss, damage, delay or any monetary losses which are a result of auxiliary services, including, but not limited to, local cartage, crating, uncrating, packing, warehousing, and unpacking. Auxiliary services are those which are performed prior or subsequent to transportation and which may be billed directly by the provider of the services or by AIT. NOTE: Under no circumstances will the liability of AIT for any monetary loss which is a result of any auxiliary services performed by AIT or its agents be greater than the liability contained in these Terms and Conditions.
- 5.9 Customer, the shipper and the consignee agree that any assistance they or their agents, employees, contractors, or other affiliated parties may provide during the pick-up, transportation or delivery process will be at their own risk. Customer, the shipper and the consignee hereby assume the responsibility of notifying any related parties of the risks of assisting in any service being provided by AIT. Customer, the shipper and/or the consignee shall indemnify and hold harmless AIT from any liability or claims resulting from the respective participation or assistance of Customer, the shipper and/or the consignee or their agents, employees, contractors, or other affiliated parties in any service being provided by AIT.
- 5.10 Section headings have been included in these Terms and Conditions for convenience of reference only and are not to be considered part of, or to be used in interpreting, these Terms and Conditions.
- 5.11 In the event that this is not an international air shipment, AIT’s maximum liability shall be the limit of liability established by the applicable conditions of contract as posted at [www.aitworldwide.com/terms-and-conditions](http://www.aitworldwide.com/terms-and-conditions).

## **6. Security, Compliance, Inspection**

- 6.1 The TSA requires that AIT refuse to offer air transportation of any cargo where the shipper/customer does not consent to screening of the cargo. The TSA considers all cargo tendered for air transportation subject to screening/search by the forwarder, air carrier or the TSA. AIT, the air carriers and the TSA may conduct screening of cargo from the date of the applicable shipping document. AIT shall not be liable for loss, damage or delay due to opening of cargo, resulting physical inspection or repackaging arising out of any such screening. This consent shall remain in effect for all cargo tendered to AIT. 49 USC §114 authorizes the collection of certain information pertaining to Customer. The information provided will be used to qualify Customer as a possible "known shipper". Providing this information is voluntary; however, failure to provide the information will prevent qualifying as a known shipper. This information will be disclosed to TSA personnel and contractors or other agents including IACs in the maintenance and operation of the known shipper program. TSA may share the information with airport operators, foreign air carriers, IACs, law enforcement agencies and others in accordance with 5 USC § 552a. For additional details, see the system of records notice for the Transportation Security Threat Assessment System (DHS/TSA 002) published in the Federal Register. Any fraudulent or intentionally false statement or certificate may be subject to both civil and criminal penalties under 49 CFR Parts 1540 and 1548 and 18 USC § 1001, in addition to those penalties that may arise as a result of violations.