

Mach 1 Air Services **Official Freight Tariff Manual**

Rules and Regulations

Terms and Conditions of Contract

These Terms and Conditions of Contract are effective January 1, 1999, and subject to change without notice.

In tendering the Shipment for delivery, the Shipper and Consignee agree to these Terms and Conditions of Contract (the "Terms") and these Terms shall supersede all previous Terms. These Terms shall apply to all Shipments unless otherwise required by a federal or state law, rule, or regulation applicable to the Shipment.

No employee or agent of Mach 1 other than an officer of Mach 1, nor any other person or party is authorized to change or modify these Terms. If there is a conflict between these Terms and the terms and conditions on any Mach 1 Air Waybill or other transit documentation, the Terms contained herein shall control. These Terms supersede all previous and other prior statements concerning the conditions of Mach 1 service to which it applies. Carriage and other services performed by the forwarder are subject to applicable laws, government regulations, orders, and requirements.

1.0 Acceptance of Dangerous Goods

As authorized by the Department of Transportation Hazardous Materials Regulations, 49 CFR, Part 171.11, Dangerous Goods will only be accepted if prepared in accordance with the International Air Transport Association Dangerous Good Regulations.

2.0 DEFINITIONS

2.1 Chargeable Weight

The gross weight of the Shipment, based upon the greater of the actual weight or the cubic dimensional weight of the Shipment.

2.2 Consignee

That person whose Name appears on the Air Waybill as the party to whom the Shipment is to be released by Mach 1.

2.3 Day

Day shall mean calendar day.

2.4 Items of Extraordinary Value

Any of the following articles or commodities:

- 2.4.1 Artwork, including any work created or developed by the application for skill, taste or creative talent for sale, display or collection. This includes, but is not limited to, items (and their parts) such as paintings, drawings, vases tapestries, limited-edition prints, fine art, statuary, sculpture, collectors' items, photographic negative, photographic chromes, photographic slides, scale models and/or architectural models and any other commodity that by its inherent nature is particularly variable or difficult to ascertain.

- 2.4.2 Antiques, any commodity which exhibits the style or fashion of a past era and whose history, age or rarity contributes to its value. These items include, but are not limited to furniture, tableware, glassware, collectors' items such as sports cards, souvenirs, and memorabilia.
- 2.4.3 Furs, including, but not limited to, watches and their parts, precious and semi-precious gems and stones, whether cut or uncut, industrial diamonds and costume jewelry.
- 2.4.4 Precious metals, including but not limited to, gold and silver bullion, dust, precipitates or platinum (except as an integral part of electronic machinery).
- 2.4.5 Stocks, bonds, cash letters or cash equivalents, including, but not limited to, food stamps, postage stamps (not collectible), traveler's checks, canceled checks, lottery tickets, money orders, bond coupons, and bearer bonds.
- 2.4.6 Personal effects and/or household goods.
- 2.4.7 Perishable Commodities

2.5 Legal Holiday

Any U. S. national, state, or local holiday.

2.6 Live Animals

All mammals (other than humans) birds, fish, crustacean, shellfish, insects, reptiles, worms, and amphibians.

2.7 Oversize

Any shipment or part thereof with any dimension (length, width, or height) greater than 84 inches (213.36 centimeters) or girth (length + width + height) exceeding 213 inches (541.02 centimeters).

2.8 Perishable Commodities

Freight subject to possible delay, decay and/or deterioration due to temperature variations while in Mach 1's possession.

2.9 Shipment

A consignment of one or more pieces, from one shipper at one airport of origin and moving on one Air Waybill, to one Consignee at one destination address.

2.10 Shipper

That person whose name appears on the Air Waybill as the party contracting with Mach 1 for the carriage of the Shipment.

3.0 Packing and Marking Requirements

- 3.0.1 In tendering the shipment for carriage hereunder the shipper warrants that the shipment is packaged to protect the goods. Uncrated, unprotected or improperly packaged merchandise is handled by the Forwarder on a "hold harmless" basis, and liabilities will not be assumed in the event of damage to any such merchandise. The shipper shall comply with all applicable laws, customs, and other governmental regulations of any country to, from, through or over which the goods may be carried, including those relating to the packaging, carriage, or delivery of the goods, and the shipper shall furnish such information and attach such documents to the waybill as may be necessary to comply with any of such laws, customs, and regulations. The Forwarder shall not be liable to the shipper or any other person for loss, damage, delay or expense arising out of the shipper's failure to comply with any such laws, customs or regulations.
- 3.0.2 Any article susceptible to damage by ordinary handling must be adequately protected by proper packing and must be marked or bear appropriate labels.
- 3.0.3 Any article susceptible to damage as a result of any condition which may be encountered in air transportation, such as high or low temperature, high or low

- atmospheric pressure, or sudden changes in either, must be adequately protected by proper packaging.
- 3.0.4 Each piece of a shipment must be legibly and durably marked with the name and address of the Shipper and Consignee.
 - 3.0.5 Shipments with a floor bearing weight in excess of 200 lbs. (90.72 Kg) per square foot must be provided with a skid or base which will reduce the floor bearing weight to 200 lbs. (90.72 Kg) or less per square foot. Such skid or base must be furnished by the shipper and included in the gross weight of the piece.
 - 3.0.6 Dangerous Goods must be identified, packaged, marked, labeled, and documented by the Shipper in accordance with applicable regulations.

4.0 Shipments Not Acceptable

Shipments requiring Mach 1 to obtain a federal, state, or local license for transportation will not be accepted when Mach 1 has elected not to comply with such license requirements. Shipments of extraordinary value, live animals, and human remains may also be deemed unacceptable for carriage.

4.1 Qualified Acceptance of Shipments

Mach 1 retains the right to reject any shipment prior to transportation from the origin station when it appears that such shipment is:

- 4.1.1 Improperly marked, labeled, packed, or packaged.
- 4.1.2 Subject to damage if exposed to temperature or pressure change likely during flight or during ground transfer or storage.
- 4.1.3 Not accompanied by proper documentation and necessary information as required by convention, statute, or other rules and regulations applicable to such shipment.
- 4.1.4 Subject to advance arrangements unless such required arrangements have been satisfactorily completed.
- 4.1.5 Improperly marked as to shipper and consignee name and address.
- 4.1.6 Of an inherent nature or defect which indicates that such transportation could not be furnished without loss or damage.

5.0 Shipments Requiring Advance Arrangements

- 5.0.1 Shipments with a declared value for \$15,000.00 or more.
- 5.0.2 Shipments of pieces thereof whose dimensions exceed a length of 119 inches (302.26 centimeters), width of 83 inches (210.82 centimeters), or height of 80 inches (203.20 centimeters), or any combination of these measurements.

6.0 Shipments Requiring Advance Arrangements (Dangerous Goods)

Shipments prepared under 49 CFR 171.11 will only be accepted with prior approval of the Mach 1 Dangerous Goods Specialist on a shipment by shipment basis.

7.0 Inspection of Shipments

All shipments are subject to inspection while in Mach 1's possession, but Mach 1 shall not be obligated to perform such inspection.

8.0 Date of Acceptance Determines Charges

Transportation is subject to the rule, rates, and charges in effect on the date of acceptance by Mach 1.

9.0 Air Waybill and Shipping Documents

- 9.0.1 The shipper shall have the duty to prepare and present a current version of the Mach 1 Air Waybill for each shipment. Such Air Waybill must contain all information necessary for transportation of the shipment. The shipper shall be responsible for the correctness of the particulars and statements relating to the shipment which is indicated on the House Air Waybill; and the shipper shall be liable for all damages suffered by Mach 1 or any other person by reason of the irregularity, incorrectness

or incompleteness of such particulars and statements. If the shipper fails to present such Air Waybill, Mach 1 will prepare a nonnegotiable Mach 1 Air Waybill and the shipper shall be bound by the Terms. Notwithstanding who prepared the Mach 1 Air Waybill or the originating documentation, it shall conclusively be deemed to have been prepared by the Shipper. Customer's shipping document(s) can be used, if so agreed upon in writing between Mach 1 and the customer, with a Mach 1 House Air Waybill number affixed to the shippers bill. In this case also, Mach 1 will prepare a Mach 1 House Air Waybill for the shipment(s). The shipper must provide Mach1 with service requirements, delivery information and Declared Value amounts on their bill of lading. If no service requirements requested the shipment will move as 2nd day air. Each shipment shall be subject to the rules, regulations, rates, and charges contained in these Terms and all Mach 1 Tariffs in effect on the Day of Shipment acceptance.

- 9.0.2 The Air Waybill and these Terms shall be binding upon the shipper, the consignee, and other party with an interest in the shipment, Mach 1, and Mach 1's agents. The Terms and Conditions of Contract as stated in Mach 1's Official Freight Tariff Manual and as stated on Mach 1's House Air Waybill (HAWB) in effect on the date of the shipment shall have precedence over any conditions pre-printed on the Air Waybill.
- 9.0.3 In tendering the shipment to Mach 1, the shipper and all other parties having an interest in the shipment agree to these Terms and affirms (1) the description of the Shipment as it is recited on the Air Waybill, (2) the fact that the shipment is not of a nature unsuitable for the carriage by air or truck or ship or hazardous thereto and (3) no employee, agent, or representative of the parties is authorized to modify any of the Terms. The Terms, including but not limited to Limitations of Liability contained herein, shall apply to our agents and their contracting carriers at all times while the Shipment is being handled by or for Mach 1.
- 9.0.4 The contents of all shipments must be accurately described on the Air Waybill.
- 9.0.5 The number of pieces included in a shipment must be specified on the Air Waybill.
- 9.0.6 The dimensions and weight of the shipment must be entered on the Air Waybill by the shipper. If omitted or entered incorrectly, Mach 1 reserves the right to measure and weight the shipment and apply the appropriate density and Oversize surcharges at any time while in Mach 1's possession. The signed Delivery Receipt shall be deemed to be corrected information and shall take precedence over any weight or measurement shown on the shipper's copy of the Air Waybill. Because the number of pieces, weight and dimensions are critical to our ability to correctly invoice, any omission will result in a billing based on the booked weight or dimensions.
- 9.0.7 When used for a shipment moving to, from, or between international points by air or sea, the Air Waybill shall be deemed an Air Waybill within the meaning of the Warsaw Convention. International air carriage (as defined in Forwarder's tariff) is subject to the rules relating to liability established by the Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, October 12, 1920, or governing amendments thereto.
- 9.0.8 Any shipment transported for the U.S. Government must be accompanied by a Government Bill of Lading, together with the Mach 1 Air Waybill, with the original copy properly executed.

10.0 Declared Value and Limitations of Liability

10.1 In consideration of Mach 1's rate for the transportation of any shipment, which rate, in part is dependent upon the value of the shipment as determined below and in the event a value is declared, shipper and consignee and all other parties having an interest with the provisions stated below as applicable and that Mach 1's total liability shall in no event exceed the following:

- 10.1.1 LIABILITY ON DOMESTIC SHIPMENTS shall be limited to the higher of \$50.00 per Shipment; or \$0.50 per pound multiplied by the number pounds (or fraction

thereof) of each piece of the Shipment which may have been lost, damaged or destroyed; or the actual value of such pieces, whichever is less, plus any of the transportation charges applicable to that part of the Shipment lost, damaged or destroyed, unless at time of Shipment the Shipper makes a declaration of value for carriage in the space designated on the Air Waybill and pays the appropriate valuation charge. When declaration is made, liability shall in no event exceed the declared value of the Shipment, plus applicable freight charges or the actual amount of loss or damage whichever is lower.

- 10.1.2 LIABILITY ON INTERNATIONAL SHIPMENTS shall be limited to \$9.07 per pound multiplied by the number of pounds (or fraction thereof) of each piece of the Shipment.
- 10.2 The declared value of any Shipment represents Mach 1's maximum liability in Connection with a Shipment, including, but not limited to, any loss, damage, misinformation or any failure to provide information. Exposure to and risk of any loss in excess of the declared value is either assumed by the Shipper or transferred by the Shipper to an insurance carrier through the purchase of an insurance policy. Customer should contact an insurance agent or broker if insurance coverage is desired. Mach 1 DOES NOT PROVIDE INSURANCE COVERAGE OF ANY KIND.
- 10.3 When the Shipper declares a value on domestic shipments that exceeds \$0.50 per pound or \$50.00, whichever is greater, an additional charge of \$0.50 for each \$100.00 or fraction thereof, subject to a minimum charge of \$5.00 per Shipment, will be assessed on the declared value shown on the Air Waybill.
- 10.4 When the Shipper declares a value that exceeds \$9.07 per pound or \$20.00 per kilogram for an International Shipment, a valuation charge of \$0.50 for each \$100.00 or fraction thereof, subject to a minimum charge of \$5.00 per Shipment, will be assessed on the declared value on the Air Waybill.
- 10.5 The value per pound or per kilogram for applying valuation charges shall be determined by proportionate valuation, i.e. by dividing the Shipper's Declared Value for Carriage by the ACTUAL WEIGHT of the Shipment.
- 10.6 Shipments exceeding \$15,000.00 in declared value must receive prior written approval from Mach 1 Air Services, Inc., corporate management in order to obtain coverage.
- 10.7 Forwarder will not consider concealed loss/damage claims on shipments consisting of used medical, scientific, electrical, telephone, computer, or other sensitive machinery.
- 10.8 The maximum declared value permitted on Mach 1 is \$1,000,000.00.
- 10.9 Any declared value in excess of the maximums allowed herein is null and void, and the acceptance by Mach 1 for carriage of any Shipment with a declared value in excess of the allowed maximum does not constitute a waiver of these maximums.
- 10.10 Mach 1 shall in no event be liable for any special, incidental or consequential damages, including but not limited to loss of profits or income, whether or not we had knowledge that such damages might be incurred.
- 10.11 If any party brings a legal action for any matter arising out of this agreement, the attorney's fees and expenses of the prevailing party in such action, as determined by the court, will be paid by the non-prevailing party.
- 10.12 No Mach 1 employee, agent or representative other than an officer of Mach 1 may waive or alter any of the limitation set forth herein.
- 10.13 Mach 1 accepts no liability for perishables, including but not limited to produce, Live Animals or Live Fish.
- 10.14 Mach 1 accepts no liability for uncrated motor vehicles.
- 10.15 Mach 1 will not be liable for shortage of articles in Shipper-loaded and sealed containers if the seal is unbroken at the time of Mach 1's acceptance and the container maintains its basic integrity.
- 10.16 Cash on Delivery (C.O.D.) shipments – Shipper must enter the amount of any shipper's C.O.D. on the carrier's Air Waybill, which shall be collected subject to the fees and rules of the delivering carrier. If no declared value is listed, then the C.O.D. amount of the shipment shall be deemed the declared value for carriage and the appropriate valuation charge will

be applicable and collected in cash, certified check, or money order unless shipper authorizes company check.

11.0 Liability for Charges and Indemnification

- 11.0.1 The Shipper and Consignee shall be liable, jointly and separately, for all unpaid charges on account of a Shipment, including, but not confined to, transportation charges and all duties, customs assessments, government penalties and fines, taxes and our attorney fees and legal costs related to the Shipment, and such other sums advanced or disbursed by us on account of such Shipment.
- 11.0.2 The Shipper and Consignee shall be liable, jointly and separately, to payor indemnify and hold Mach 1 harmless for all claims, fines, penalties, damages, costs or other sums that may be incurred, suffered or disbursed by Mach 1 for any violation of any of the terms contained herein or any other default of the Shipper or Consignee or such other party with respect to a Shipment.

12.0 Lien on Shipments

- 12.1 Mach 1 shall have a lien on the Shipment for all sums due and payable to Mach 1. In the event of non-payment of any sum payable to Mach 1, the Shipment may be held by Mach 1 and be subject to storage and/or disposed of at public or private sale, without notice to Shipper or Consignee and with no further liability to Mach 1. The sale will pay Mach 1 out of the proceeds of such sale all sums due and payable to Mach 1, including storage charges. The Shipper and/or Consignee shall continue to be liable for the balance of any unpaid charges payable on account of the Shipment.
- 12.2 Debtor hereby agrees to pay all court costs and attorneys' fees incurred by carrier in enforcing any of the terms of this agreement and in collection of any sums owing pursuant to this agreement by debtor for services rendered by carrier.
- 12.3 Debtor does hereby acknowledge and waive its right to raise the defense of lack of personal jurisdiction in any lawsuit commenced by Mach 1 Air Services, Inc. against the debtor in Arizona.

13.0 Notice of Disposition of Property

- 13.0.1 If at the expiration of free storage time a Shipment is unclaimed or delivery cannot be affected, Mach 1 shall have the right to store and shall have an additional right to dispose of the Shipment or any part thereof, at public or private sale after thirty (30) Days following date of written notice to Shipper and Consignee at such addresses as are indicated on the Air Waybill.
- 13.0.2 No sale or disposal pursuant to this provision shall discharge any liability or lien to any greater extent than the proceeds thereof, less selling expenses, if any, and the Shipper and Consignee shall remain liable, jointly and severally, for any deficiency.

14.0 Routing

- 14.0.1 Mach 1 agrees to exercise due diligence in order to protect all property accepted for transportation and reserves the right to determine the routing of any Shipment not routed by the Shipper.
- 14.0.2 Mach 1 reserves the right to deviate from any route shown on the Air Waybill. Mach 1 may, if necessary to expedite delivery, forward Shipment via any air carrier or other transportation agency. The transportation costs or charges shall not exceed the airfreight charges from origin of Shipment to destination via the route shown on the applicable Air Waybill unless authorized by the shipper.

15.0 Application of Rates and Charges

- 15.1 Charges are assessed at the rates in effect on the Day of Shipment acceptance by Mach 1.
- 15.2 Except as otherwise provided herein, transportation charges for a Shipment will be assessed on the gross weight of the Shipment based on the greater of:
 - 15.2.1 The actual weight, or
 - 15.2.2 The cubic dimensional weight determined in accordance with Paragraph 5, below.
 - 15.2.3 In computing charges, fractions will be rounded to the next higher cent.
 - 15.2.4 Fractions of pounds will be assessed at the charge for the next higher pound. Fractions of kilograms will be rounded to the next kilogram. Fractions of an inch will be rounded to the next higher inch.
 - 15.2.5 Cubic dimensional weight will be based on the product of the length times width times height of each piece comprising a Shipment.
 - 15.2.5.1 Charges for Domestic Shipment with overall measurement exceeding 194 cubic inches (492.76 centimeters) will be assessed on the basis of one pound per 194 cubic inches or fraction thereof.
 - 15.2.5.2 Charges for International Shipment with overall measurement exceeding 166 cubic inches (421.64 centimeters) will be assessed on the basis of one pound per 166 cubic inches or fraction thereof.
 - 15.2.6 Unless otherwise stated, the minimum charge per Shipment, via Mach 1 shall be the applicable charge for One Hundred (100) pounds.
 - 15.2.7 Mach 1 Air Services, Inc. reserves the right to assess other such charges that may be incorporated in local tariffs, including but not limited to inside delivery, dockside delivery, charges for waiting time, special pickup and/or delivery, signed delivery receipt, weights, etc.

16.0 Customs Clearance

- 16.0.1 All Shipments which cross international borders must be cleared through Customs.
- 16.0.2 The Shipper shall be responsible to provide the assignment of the designated customs broker for Customs clearance.
- 16.0.3 Any duties will be assessed through the transaction between U.S. Customs and the assigned customs broker.
- 16.0.4 Mach 1 will notify the Shipper when Shipments are held by Customs or other agencies due to incorrect or missing documentation. If local regulations require the correct information or documentation to be submitted by the Shipper and the Shipper fails to do so, the Shipment is subject to delay.
- 16.0.5 Shipments requiring documentation in addition to the International Air Waybill (e.g., a Commercial Invoice) may require additional transit time. Proper descriptions are the responsibility of the Shipper.

17.0 Charges Prepaid or Collect

The following Shipments must be prepaid by the Shipper:

- 17.0.1 Shipments addressed to persons restrained of their liberty.
- 17.0.2 Shipments not equal in commercial value to the charges thereon.
- 17.0.3 Shipments addressed to United States Government Agencies unless shipped by Government agents presenting proper bills of lading.
- 17.0.4 Shipments of used household goods and/or personal effects.
- 17.0.5 Shipments addressed to a Consignee at a transient address.
- 17.0.6 Shipments to be delivered to U.S. Customs.

- 17.0.7 Shipments of personal effects (except those Shipments moving under a U.S. Government Bill of Lading) consisting of wearing apparel, cosmetics, toilet articles and articles worn by an individual, used, not for resale.
- 17.0.8 Shipments consigned to a party other than a customer with an approved Mach 1 customer account number

18.0 Payment of Charges

- 18.0.1 Mach 1's trade terms are net payment in full of all invoices within fifteen (15) Days of the invoice date. Any balance unpaid after fifteen (15) Days shall be subject to a service charge of 1.5% per month. In the event that it becomes necessary for Mach 1 to refer an account to a collection agency or attorney to enforce payment, the debtor company will pay all reasonable legal fees and applicable and allowable service charges.
- 18.0.2 Rates and charges published by Mach 1 are stated in United States currency and are payable in such currency.
- 18.0.3 Collect Shipments – In the event of a failure or inability of a consignee to pay freight charges, it will be the responsibility of the shipper to pay all charges.

19.0 Claim Procedures for Loss or Damage

- 19.0.1 All claims for loss or damage on Domestic or International Shipments must be made in writing within nine (9) months from the date of delivery or reasonable time during which shipment should have been delivered. All claims must include a copy of the Air Waybill. Claims will be acknowledged within thirty (30) calendar Days after receipt at the above address.
- 19.0.2 No claim with respect to a Shipment, any part of which is received by the Consignee, will be entertained until all transportation charges have been paid. The amount of a claim may not be deducted from the transportation charges. If the Consignee receives no part of a Shipment, a claim with respect to such Shipment will be entertained even though transportation charges thereon are unpaid.
- 19.0.3 Concealed loss or damage discovered by the Consignee, after clear receipt has been given to Mach 1, must be reported immediately upon discovery to Mach 1 in writing (address indicated in section 19.0.16) within twelve (12) calendar Days from the date of Mach 1's delivery, with privilege to Mach 1 to make inspection of the Shipment and container (s) within twelve (12) Days after receipt of such notice. All merchandise must be retained in the original shipping container, in the same condition it was in when damage was discovered, until inspected by Mach 1.
- 19.0.4 All of the original shipping cartons, packing, and contents must be made available for our inspection and retained until the claim is concluded.
- 19.0.5 Receipt of the shipment by the recipient without written notification of damage on the delivery receipt shall be prima facie evidence that the shipment was delivered in good condition. At the time of delivery, the consignee must note on the delivery receipt any exceptions to the shipping containers that would indicate a discrepancy (shortage in the shipment or damage to the containers). The consignee may not inspect the contents of the shipping containers until the consignee signs for the shipment on the delivery receipt. Note: such notations as "subject to inspection" are not exceptions.
- 19.0.6 Mach 1 does not consider shockwatch, tiltmeter or temperature meter gauge results in evaluating damage claims.
- 19.0.7 The Air Waybill shall be prima facie evidence of the conclusion of the contract, of the receipt of the Shipment, and of the conditions of transportation.

- 19.0.8 The statements in the Air Waybill relating to the weight, dimensions and packing of the Shipment, as well as those relating to the number of packages, shall be prima-facie evidence of the facts stated; those relating to the quantity, volume, and condition of the Shipment shall not constitute evidence against Mach 1.
- 19.0.9 Claims for loss or damage to Artwork require valuation by a certified or licensed art appraiser to be provided by the Shipper prior to acceptance for Shipment by Mach 1. Such appraisal certificate must indicate that the Shipment value is equal to or greater than the declared value indicated on the Air Waybill.
- 19.0.10 Legal action involving Domestic Shipments must commence within two (2) years and one (1) day from the date written notice declining the claim in whole or in part is given to the claimant, unless otherwise required by federal or state law, rule or regulation applicable to the Shipment.
- 19.0.11 For international Shipments, legal action must commence within six (6) months from date of arrival of the Shipment at destination or from the date the Shipment should have arrived or from the date on which carriage stopped.
- 19.0.12 When salvage becomes the property of Mach 1 due to claim settlement, it will be picked up at Mach 1's discretion.
- 19.0.13 Failure to comply with any of the above conditions may result in the denial of a claim.
- 19.0.14 All claims for loss or damage are subject to proof of value.
- 19.0.15 Only the party who holds the title to the goods in question is entitled to file a claim for loss or damage of a shipment.
- 19.0.16 All claims for loss or damage must be reported in writing within time limits to:
Attn: Claims Department
Mach 1 Air Services, Inc.
1530 W. Broadway Road
Tempe, AZ 85282
- 19.0.17 All claims sent back to the claimant for clarification or further documentation to support the claim must be perfected within three (3) months of such notice unless the claimant in writing to the Forwarder requests an extension and approval is granted in writing by the Forwarder to the claimant.

20.0 Claim Procedures for Overcharge or Billing Adjustments

Claims for Overcharge; or Billing Adjustment Requests

- 20.0.1 Customers wishing to file a claim for an overcharge or billing adjustment must provide written notification of such claim within one hundred eighty days (180) days of Mach 1's acceptance of Shipment to:
Billing Department
Mach 1 Air Services, Inc.
1530 W. Broadway Road
Tempe, AZ 85282
- 20.0.2 In computing time, for purposes of this paragraph, the first day shall be the day after acceptance of the shipment by Mach 1.

21.0 Liabilities Not Assumed

- 21.1 Mach 1 will not be liable for loss or damage unless caused by our own negligence. Mach 1 will not be responsible for contributory negligence on the part of the Shipper, Consignee, or third party. Mach 1 makes no warranties, express or implied.
- 21.2 Except as applicable laws may otherwise require, the Forwarder shall not be liable to the shipper or any other person for any damage, delay or loss of any nature arising out of or in connect with the carriage of goods, unless such damage is proved to have been caused by the negligence or willful fault of the Forwarder and there has been no contributory negligence on the part of the shipper, consignee or other claimant. The Forwarder shall not be liable for any damage directly or indirectly caused by:
- 21.2.1 Acts of God, public enemies, public authorities, quarantine, riots, strikes, civil disorders, commotions or hazards or dangers incident to a state of war.
- 21.2.2 Any default by the shipper or consignee
- 21.2.3 The nature of the shipment, or any defect, characteristic or inherent vice thereof
- 21.2.4 Violations by the shipper or consignee of any of the conditions of the contract
- 21.2.5 Compliance with laws, governmental regulations, orders or requirements of any jurisdiction, or from any other cause beyond the control of the Forwarder
- 21.2.6 Forwarder shall not be liable, in any event, for any consequential or special damages or other indirect loss however arising whether or not Forwarder had knowledge that damages might be incurred, including but not limited to loss of income, profits, interest, utility, or loss of market.
- 21.3 Mach 1 cannot guarantee delivery by a specific time or date and Mach 1 reserves the right to route the Shipment any way it deems appropriate. In no event will Mach 1 be liable for special, incidental or consequential damages due to delay.
- 21.4 Shipper is responsible for and warrants its compliance with all applicable laws, rules and regulations, including, but not limited to, customs laws, import and export laws, and government regulations of any country to, from, through or over which its Shipment may be carried. Shipper agrees to furnish such information and complete and attach to the Air Waybill such documents as are necessary to comply with such laws, rules and regulations. Mach 1 assumes no liability to Shipper or any other person for any loss or expense due to Shipper's failure to comply with this provision. If Shipper does not complete all the documents required for carriage, or if the documents Shipper submits are not appropriate for the service or destination requested, Shipper hereby instructs Mach 1, where permitted by law, to complete, correct or replace the documents for Shipper at Shipper's expense. However, Mach 1 is not obligated to do so. If a substitute form of Air Waybill is needed to complete delivery of the Shipment, and we complete that document, these terms will govern. Mach 1 is not liable to Shipper or any other person for Mach 1's actions on Shipper's behalf under this provision.
- 21.5 Liability shall in no event exceed that set forth in the Limitations of Liability provisions contained herein.

22.0 Storage

- 22.0.1 Shipment will be held by Mach 1 without charge for 24 hours (excluding Sundays and Legal Holidays for freight other than perishable commodities) after arrival and tender of delivery at destination, or notification of arrival, whichever is applicable. Such 24-hour period will be computed from the first 8:00 a.m. after tender of delivery, or notification of arrival.
- 22.0.2 After the expiration of such free time, Mach 1 will continue to hold such shipment for the shipper and consignee, subject to a charge of \$1.00 per day per one hundred (100) pounds or any fraction thereof, subject to a minimum charge of \$10.00 per shipment. When a shipment is held by Mach 1 after the expiration of such free time,

Mach 1's liability shall be reduced to that of a warehouseman and when a shipment is placed in public warehouse, Mach 1's liability for the shipment shall terminate.

23.0 Currency of Publication

Rates and charges are stated in U.S. currency as follows:

- 23.0.1 Minimum charges per shipment are stated in U.S. dollars
- 23.0.2 Rates for one (1) pound are stated U.S. cents per pound.
- 23.0.3 Rates for minimum weights of one hundred (100) pounds and over are stated in U.S. dollars per one hundred (100) pounds.
- 23.0.4 Rates for one (1) Kilogram (Kg.) are stated in U.S. dollars per Kg