

# CONDITONS OF CONTRACT

1. Carriage and other services performed hereunder are subject to these conditions and to the rates, rules and classifications set fourth in the Forwarder's currently effective tariffs, which are available for inspection and incorporated this contract by reference.

2. As used in this contract, "Forwarder" means Saturn Freight Systems, Inc. and its authorized agents.

3. Shipper warrants that each package in this shipment is properly and completely described on this shipping document.

In tendering shipments for carriage, the shipper warrants that the shipment is packaged to protect the enclosed goods and to insure safe transportation with ordinary care and handling, and that each package is appropriately labeled and is in good order for carriage as specified. Forwarder shall not be responsible for damage to improperly - packaged articles.

4. All shipments are subject to inspection by Saturn Freight Systems. However, Saturn Freight Systems is not obligated to perform such inspection.

5. Forwarder shall not be liable for any loss, damaged, delay, mis-delivery, non-delivery or other result not caused by its own negligence. In any event, Forwarder shall not be liable for (a) acts of God, public enemies, public authorities acting with actual or apparently authority, authority of law, quarantine, riots, strikes, civil commotions, or hazards or dangers incident to a state of ware; (b) the act or 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 non-compliance with delivery or special instructions.

6. Forwarder shall not be liable for special or consequential damages.

7. In consideration of Forwarder's rate for the transportation of any shipment, which rate, in part, independent upon the value of the shipment, the shipper and all other parties having any interest in the shipment agree that the limit of Forwarder's liability shall be the lesser of:

(a)-the amount of any damages actually sustained

(b)-whichever of the following is greater:

(1) the shipper's declared value stated thereof; or

(2) \$.50 per pound multiplied by the weight of the damaged or lost goods only. On international shipments, the liability rules under the Warsaw Convention shall apply, limiting liability in most cases to \$9.07 per pound, unless higher valuation is declared and charges paid thereon.

8. The shipper and the consignee shall be jointly and severally liable to pay or indemnify Saturn Freight Systems for all cost, including, but not limited to, all unpaid charges, claims, fines, penalties, damages,

attorney fees, 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 or their agents.

9. In the event that payment is not received for services rendered within 30 days from date of invoice, Forwarder reserves the right to assess interest on the unpaid balance at 1 & one-half % per month and all discounts will be null and void. In the event it becomes necessary to refer an unpaid balance to a collection agency, or an attorney for collection, shipper and consignee agree to be jointly and severally liable for all attorney fees, court cost, and expenses incurred by the Forwarder in collecting said unpaid balance, (in Georgia shipper and consignee shall be responsible in an amount equal to 15% of all unpaid balances pursuant to O.C.G.A. 13-6-11).

10. Forwarder shall have a lien on the current shipment and any other shipments for payment of both the freight charges due for the current shipment and for all other unpaid freight charges due to the Forwarder.

11. 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 the Forwarder's notice, Forwarder will return the shipment to the shipper at the shipper's expense (to include all incurred charges of said shipment). If the shipper fails to accept delivery of a shipment thus returned, Forwarder may, upon 30 days written notice to the shipper dispose of the shipment at public or private sale and pay 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 rule 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 deficiency.

12. Forwarder will exercise due diligence in routing shipment. 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.

13. Claims for loss or 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 7 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. All claims after the 7 day period will be null and void.

14. Claims for loss, damage or delay must be made in writing within a period of 180 days after the date of acceptance of the shipment by the Forwarder. On shipments to Puerto Rico and Canada, claims must be made in 120 days. All claims must be mailed to Saturn Freight Systems, Inc. P.O. Box 680308, Marietta, GA 30068

15. No claims with respect to a shipment, any part of which is received by the consignee, will be entertained until all transportation and other related charges have been paid to the carrier. Shipper may not deduct the amount of any claim from these charges.

16. Claims for overcharges or duplicate billings must be made in writing within a period of 180 days after the date of acceptance of shipment by the Forwarder.

17. 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.
18. International air carriage is subject to the rules relating to the liability established by the Convention of the Unification of Certain Rules relating to international Carriage by Air, Signed at Warsaw, October 12, 1929.
19. To the extent that is not governed by Federal law, this Contract and the 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 of Georgia. If any provision of this Contract including tariffs incorporated by reference is determined to be invalid or unenforceable, the remainder of this Contract shall not be affected thereby.
20. Forwarder acts as self-insurer below \$1000 and maintains insurance liability for amounts in excess thereof.
21. Forwarder liability will be limited to \$500 on all shipments in which same day service has been requested.
22. No agent, servant, or representative of Forwarder has authority to alter, modify, or waive any provision of this contract, nor provision of tariffs or classifications which govern them.
23. Rates and charges for shipments will be based on actual or dimensional weight, whichever is greater.
24. Maximum Forwarder liability shall be limited to \$25,000 per shipment. All shipments valued over \$25,000 require an authorization number, issued from the General Office. Failure to do so will void all declared value or all risk insurance.
25. The shipper understands and agrees that the rates do not include insurance or other compensation for loss, other than as expressly provided herein and limited hereby. Accordingly, the shipper agrees that in the event it desires coverage for loss, it will obtain insurance, and that said insurance will contain a waiver of subrogation clause waiving any subrogation rights ( or and on behalf of such insurance carrier). In the event that the shipper fails to obtain a waiver of subrogation, the shipper will defend, indemnify and hold harmless Saturn Freight Systems and any carrier(s) retained by it with respect to claims made by the Shipper or third parties acting as subrogees of the shipper.
26. For C.O.D. shipments, the amount of the C.O.D. must be inserted in the C.O.D. portion of the Saturn freight bill.  
The Forwarder under no circumstances will be responsible for the form of payment by consignee unless specifically requested otherwise, in writing, by the shipper. All C.O.D. shipments must carry all risk insurance of the value of the shipment. Forwarder will not be liable for any fraudulent or apparent certification of checks. Applicable charges for handling a C.O.D. shipment will be billed.