



**EAGLE LOGISTICS SYSTEMS
FREIGHT FORWARDING/NVOCC TERMS AND CONDITIONS**

These terms and conditions of service (the "Terms and Conditions") constitute a legally binding contract among the parties, and shall apply solely to services provided by AJC Logistics, LLC DBA Eagle Logistics Systems to the Customer (as defined below).

1. DEFINITIONS.

- a. "Forwarder" means a freight forwarder, forwarder, or forwarding agent, also known as a non-vessel operating carrier (NVOCC) as a firm specializing in arranging storage and shipping of merchandise on behalf of its shippers, customers and/or cargo owners. "Forwarder" means AJC Logistics, LLC dba Eagle Logistics Systems, its related companies, agents, and/or representatives acting solely and on behalf of cargo owners;
- b. "Customer" means the entity that the Forwarder is rendering service for, including shippers, distributors, exporters, importer, sender, consignor, consignee, transferor, or transferee of the shipment.
- c. "Third Parties" means carriers, forwarders, customs brokers, agents, warehousemen and others to which the goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise.

2. THIRD PARTY SERVICES.

Unless Forwarder carries, stores, or otherwise physically handles the shipment, Forwarder undertakes only to use reasonable care in the selection of carriers, customs brokers, agents, warehousemen and others to whom it may entrust the goods for transportation, cartage, handling, delivery, or and assumes no liability as a carrier and is not to be held responsible for any loss, damage, expense or delay to the goods to be forwarded or imported except as provided in paragraph 9 and subject to the limitations of paragraph 10 below or to the extent required by 49 U.S. Code § 14706 (the "Carmack Amendment"). When Forwarder carries, stores, or otherwise physically handles the shipment, it does so subject to the limitations of paragraph 9 below, unless a separate Bill of Lading or other contract of carriage is issued by Forwarder, in which events the terms thereof shall govern.

3. LIABILITY FOR ACTS OR OMISSIONS OF THIRD PARTIES.

Forwarder is authorized to select and engage Third Parties to transport, store, process, and deliver the goods, all of whom shall be considered the agents of the Customer. The goods may be entrusted to such Third Parties subject to all conditions as to limitations of liability for loss, damage, expense or delay and to all rules, regulations, requirements and conditions, whether printed, written or stamped, appearing in bills of lading, receipts or tariffs issued by such carriers, forwarders, customs brokers, agents, warehousemen, and others. Forwarder shall not be liable any loss, damage, expense or delay to the goods for any reason whatsoever when said goods are in the custody, possession or control of Third Parties selected by Forwarder to forward, enter, clear, transport or render other services with respect to such goods.

4. CHOOSING ROUTES OR AGENTS.

Forwarder has complete freedom in choosing the means, route and procedure to be followed in the handling, transportation and delivery of the goods unless the Customer gives express instructions in writing.

5. QUOTATIONS.

Forwarder's quotations as to fees, rates, duty, freight charges, insurance premiums or other charges are for informational purposes only and are subject to change without advance notice. Such quotations shall not be binding upon Forwarder under any circumstances unless Forwarder in writing specifically undertakes the handling or transportation of the shipment at a specific rate.

6. DUTY TO FURNISH INFORMATION.

- a. On an import, at a reasonable time prior to entering of the goods for U.S. Customs, the Customer shall furnish to Forwarder invoices in proper form and other documents necessary or useful in the preparation of the U.S. Customs entry and, also, such further information as may be sufficient to establish, inter alia, the dutiable value, the classification, the country of origin, the genuineness of the merchandise and any mark or symbol associated with it, the Customer's right to import and/or distribute the merchandise, and the merchandise's admissibility, pursuant to U.S. law or regulation. If the Customer fails in a timely manner to furnish such information or documents, in whole or in part, as may be required to complete U.S. Customs entry or comply with U.S. laws or regulations, or if the information or documents furnished are inaccurate or incomplete, Forwarder shall be obligated only to use its best judgment in connection with the shipment and in no instance shall be charged with knowledge by the Customer of the true circumstances to which such inaccurate, incomplete or omitted information or document pertains. Where a bond is required by U.S. Customs to be given for the production of any document or the performance of any act, the Customer shall be deemed bound by the terms of the bond notwithstanding the fact that the bond has been executed by Forwarder as principal, it being understood that Forwarder entered into such undertaking at the instance and on behalf of the Customer, and the Customer shall indemnify and hold Forwarder harmless for the consequences of any breach of the terms of the bond. Customer will be responsible to pay charges incurred by Forwarder in handling customs clearance for freight where customs arrangements are not made by Customer.
- b. On an export, at a reasonable time prior to the exportation of the shipment, the Customer shall furnish to Forwarder the commercial invoice in proper form and number, a proper consular declaration, weights, measures, values and other information in the language of and as may be required by the laws and regulations of the U.S. and the country of destination of the goods.

c. On an export or import, Forwarder shall not in any way be responsible or liable for increased duty, penalty, fine or expense unless caused by the negligence or other fault of Forwarder, in which event its liability to the Customer shall be governed by the provisions of paragraphs 8-10 below. The Customer shall be bound by and warrant the accuracy of all invoices, documents and information furnished to Forwarder by the Customer or its agents for export, entry or other purposes and the Customer agrees to indemnify and hold harmless Forwarder against any increased duty, penalty, fine or expense including attorneys' fees, resulting from any inaccuracy, incomplete statement, omission or any failure to make timely presentation, even if not due to any negligence of the Customer.

d. Customer must inform Forwarder of requirements for the transportation of food or food grade products subject to the requirements of the Food Safety Modernization Act of 2011 and its implementing regulations, The Sanitary Food Transportation Act, or, to the extent that Carrier performs services hereunder within, or to or from Canada, the Food and Drug Acts and any/all other applicable statutes and regulations, including, but not limited to the Ontario Food Safety and Quality Act, 2001, or any other jurisdiction's equivalent. Customer must transmit to Forwarder the shipper's or consignee's protocols and requirements for transporting food shipments subject to these Acts. Where Customer fails to inform Forwarder of such requirements, Forwarder and Carrier will have no liability for damage to food products, and Customer must defend, indemnify, and hold Forwarder and Carrier harmless, from any and all claims, costs, fines, penalties, damages, and other items, including reasonable attorney's fees, incurred by Forwarder and Carrier as a result of Customer's failure to inform Forwarder of food transportation requirements.

7. DECLARING VALUATION.

Inasmuch as truckers, carriers, warehousemen and others to whom the goods are entrusted usually limit their liability for loss or damage unless a higher value is declared and a charge based on such higher value is agreed to by said trucker, etc., Forwarder must receive specific written instructions from the Customer to pay such higher charge based on valuation and the truckers, etc., must accept such higher declared value; otherwise the valuation placed by the Customer on the goods shall be considered solely for export or customs purposes and the goods will be delivered to the truckers etc., subject to the limit of liability set forth herein in paragraphs 9-10 below with respect to any claim against Forwarder and subject to the provisions of paragraph 3 above.

8. INSURANCE.

Forwarder will make reasonable efforts to effect marine, theft and other insurance upon the goods only after specific written instructions have been received by Forwarder from the Customer in such sufficient time prior to the shipment from the point of origin, and at the same time the written instructions from the Customer specifically states the kind and amount of insurance to be placed. Forwarder does not undertake or warrant that such insurance can or will be placed. Unless the Customer has its own open marine policy and instructs Forwarder to effect insurance under such policy, insurance is to be effected with one or more insurance companies or other underwriters to be selected by Forwarder. Any insurance placed shall be governed by the certificate or policy issued and will only be effective when accepted by such insurance companies or other underwriters. Should an insurer dispute its liability for any reason, the insured shall have recourse against the insurer only and Forwarder shall not be under any responsibility or liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rates as that charged or paid to Forwarder by the Customer, or that the shipment was insured under a policy in the name of Forwarder. Insurance premiums and the charge of Forwarder for arranging the same shall be at the Customer's expense. If for any reason the goods are held in warehouse, or elsewhere, the same will not be covered under any insurance, unless Forwarder receives written instructions from the Customer. Unless specifically agreed in writing, Forwarder assumes no responsibility to effect insurance on any export or import shipment which it does not handle.

9. LIMITATION OF LIABILITY.

(a) The Customer agrees that Forwarder shall only be liable for any loss, damage expense or delay to the goods resulting from the negligence or other fault of Forwarder; such liability shall be limited to an amount equal to the lesser of five hundred (\$500) dollars or \$0.50/lbs per entry or shipment or the fee(s) charged for the services, provided that, in the case of partial loss, such amount will be adjusted pro rata;

(b) Where Forwarder issues its own bill of lading and receives freight charges as its compensation, the limit of liability shall be the lesser of five hundred (\$500) dollars or \$0.50/lbs per entry or shipment or the fee(s) charged for the services, provided that, in the case of partial loss, such amount will be adjusted pro rata;

(c) Customer agrees that Forwarder shall, in no event, be liable for consequential, punitive, statutory or special damages in excess of the monetary limit provided for above.

10. PRESENTING CLAIMS.

Forwarder shall not be liable under paragraph 9, or otherwise, for any claims not presented to it in writing within sixty (60) days of either the date of loss or incident giving rise to the claim; no suit to recover for any claim or demand hereunder shall be maintained against Forwarder unless instituted within six (6) months after the presentation of the said claim or such longer period provided for under statute(s) of the State having jurisdiction of the matter.

11. ADVANCING MONEY.

Forwarder shall not be obligated to incur any expense, guarantee any payment or advance any money in connection with the importing, forwarding, transporting, insuring, storing or cooperating of the goods, unless the same is previously provided to Forwarder by the Customer on demand. Forwarder shall be under no obligation to advance freight charges, customs duties or taxes on any shipment, nor shall any advance by Forwarder be construed as a waiver of the provisions hereof.

12. INDEMNIFICATION FOR FREIGHT & DUTIES.

In the event that a carrier, other person or any governmental agency makes a claim or institutes legal action against Forwarder for ocean or other freight, duties, fines, penalties, liquidated damages or other money due arising from a shipment of goods of the Customer, the Customer agrees to indemnify and hold harmless Forwarder for any amount Forwarder may be required to pay such carrier, other person or governmental agency together with reasonable expenses, including attorney fees, incurred by Forwarder in connection with defending such claim or legal action and obtaining reimbursement from the Customer. The confiscation or detention of the goods by any governmental authority shall not effect or diminish the liability of the Customer to Forwarder to pay all charges or other money due promptly on demand.

13. C.O.D. SHIPMENTS.

Goods received with Customer's or other person's instructions to "Collect on Delivery" (C.O.D.) by drafts or otherwise, or collect to collect on any specified terms by time drafts or otherwise, are accepted by Forwarder only upon the express understanding that it will exercise reasonable care in the selection of a bank, correspondent, carrier or agent to whom it will send such an item for collection, and Forwarder will not be responsible for any act, omission, default, suspension, insolvency or want of care, negligence, or fault of such bank, correspondent, carrier or agent, nor for any delay in remittance lost in exchange, or loss during transmission, or while in the course of collection.

14. GENERAL LIEN ON ANY PROPERTY.

Forwarder shall have a general lien on any and all property (and documents relating thereto) to the Customer, in its possession, custody or control or in route, for all claims for charges, expenses or advances incurred by Forwarder in connection with any shipments of the Customer and if any claim remains unsatisfied for thirty (30) days after demand for its payment is made, Forwarder may sell at public auction or private sale, upon ten (10) days written notice registered mail (R.R.R.) to the Customer, the goods, wares and/or merchandise, or so much thereof as may be necessary to satisfy such lien, and apply the net proceeds of such sale to the payment of amount due Forwarder. Any surplus from such sale shall be transmitted to the Customer, and the Customer shall be liable for any deficiency in the sale.

15. COMPENSATION OF FORWARDER.

The compensation of Forwarder for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by Forwarder to transport and deal with the goods and such compensation shall be exclusive of any brokerage, commissions, dividends or other revenue received by Forwarder from carriers, insurers and others in connection with the shipment. On ocean exports, upon request, Forwarder shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for monies due to Forwarder, the Customer shall pay the expenses of collection and/or litigation, including Forwarder's reasonable attorneys' fees.

16. NO RESPONSIBILITY FOR GOVERNMENTAL REQUIREMENTS.

It is the responsibility of the Customer to know and comply with the marking requirements of the U.S. Customs Service, the regulations of the U.S. Food and Drug Administration, and all other requirements, including regulations of Federal, state and/or local agencies pertaining to the merchandise. Forwarder shall not be responsible for action taken or fines or penalties assessed by any governmental agency against the shipment because of the failure of the Customer to comply with the law or the requirements or regulations of any governmental agency or with a notification issued to the Customer by any such agency.

Customer must inform Forwarder of requirements for the transportation of food or food grade products subject to the requirements of the Food Safety Modernization Act of 2011 and its implementing regulations, The Sanitary Food Transportation Act, or, to the extent that Carrier performs services hereunder within, or to or from Canada, the Food and Drug Acts and any/all other applicable statutes and regulations, including, but not limited to the Ontario Food Safety and Quality Act, 2001, or any other jurisdiction's equivalent. Customer must transmit to Forwarder the shipper's or consignee's protocols and requirements for transporting food shipments subject to these Acts. Where Customer fails to inform Forwarder of such requirements, Forwarder and Carrier will have no liability for damage to food products, and Customer must defend, indemnify, and hold Forwarder and Carrier harmless, from any and all claims, costs, fines, penalties, damages, and other items, including reasonable attorney's fees, incurred by Forwarder and Carrier as a result of Customer's failure to inform Forwarder of food transportation requirements.

17. INDEMNITY AGAINST LIABILITY ARISING FROM THE IMPORTATION OF MERCHANDISE.

The Customer agrees to indemnify and hold Forwarder harmless from any claims and/or liability arising from the importation of merchandise which violates any Federal, state and/or other laws or regulations and further agrees to indemnify and hold Forwarder harmless against any and all liability, loss, damages, costs, claims and/or expenses, including but not limited to attorney's fees, which Forwarder may hereafter incur, suffer or be required to pay by reason of claims by any government agency or private party. In the event that any action, suit or proceeding is brought against Forwarder by any government agency or private party, Forwarder shall give notice in writing to the Customer by mail at its address on file with Forwarder. Upon receipt of such notice, the Customer, at its own expense, shall defend against such action and take all steps as may be necessary or proper to prevent the obtaining of a judgment and/or order against Forwarder.

18. LOSS, DAMAGE OR EXPENSE DUE TO DELAY.

Unless the service to be performed by Forwarder on behalf of the Customer are delayed by reason of negligence or other fault of Forwarder, Forwarder shall not be responsible for any loss, damage or expense incurred by the Customer because of such delay. In the event Forwarder is at fault, as aforesaid, its liability is limited in accordance with the provisions of paragraphs 9-10 above.



19. CHOICE OF LAW AND VENUE.

The foregoing terms and conditions shall be construed according to the laws of the State of Georgia. Unless otherwise consented to in writing by Forwarder, no legal proceeding against Forwarder may be instituted by the Customer, or subrogee except in the State of Georgia.