

**NEU Parcel Solutions
Terms and Conditions of Service
Effective: May 18, 2016**

The following Terms and Conditions of Service (the "Terms") govern all transportation and delivery services Nippon Express U.S.A., Inc., ("NEU") undertakes for you under its "NEU Parcel Solutions" program.

These Terms are effective on the date set forth above and are subject to change without prior notice. You may access the latest version of these Terms by visiting NEU's website, at http://nipponexpressusa.com/wp-content/themes/nipponexpressusa/files/pdf/neu_parcel_coc.pdf or by contacting your NEU sales representative.

These Terms govern the following services:

- **NEU Parcel Solutions Sky-EX Saver**
- **NEU Parcel Solutions JetPak**
- **NEU Parcel Solutions International Express**
- **NEU Domestic Ground Express**
- **NEU Postal**

By tendering your shipment to NEU for transportation, you agree to be bound by these Terms.

1. Definitions.

- 1.1. "You" or "Your" means the shipper/sender recipient and their agents, servants, employees, and any other person or entity having or claiming an interest in a shipment.
- 1.2. "Package" means any single parcel or piece with a chargeable weight of 150 lbs. or less. Any fraction of a pound is rounded up to the next-higher pound.
- 1.3. "Shipment" means one or more pieces, either packages or freight, moving on a single airway bill.

2. Other documents.

- 2.1. For shipments to Japan (Sky-Ex Saver and JetPak), the terms of carriage on the backside of the NEU Air Waybill will govern your shipment. Additional rules and restrictions apply for JetPak Service.
 - 2.1.1. A copy of the NEU Air Waybill terms are available at: <http://nipponexpressusa.com/wp-content/themes/nipponexpressusa/files/pdf/HAWB-Terms-and-conditions-of-Contract-v2.pdf>
 - 2.1.2. A copy of the JetPak rules and restrictions are available at: <http://nipponexpressusa.com/wp-content/themes/nipponexpressusa/files/pdf/JetPack-e.pdf>
- 2.2. U.S. domestic shipments and international shipments to destinations other than Japan are governed by The United States Postal Service, FedEx, or DHL service terms and conditions, as applicable. You agree to be bound by all applicable United States Postal Service, FedEx and DHL terms and conditions (including any rules tariff) in effect at the time of shipment (collectively, "Carrier Rules"), which can be found at:
 - 2.2.1. For U.S. Domestic Shipments: <http://www.fedex.com/us/service-guide/terms/express-ground/index.html>

2.2.2. For International Shipments: <http://www.fedex.com/us/service-guide/terms/other-services/index.html> and http://www.dhl.com/en/legal.html#t_c

2.2.3. For United States Postal Service Shipments (domestic or international): <http://pe.usps.gov/text/qsg300/q000.htm> and <https://www.usps.com/ship/shipping-restrictions.htm>.

2.3. The above Carrier Rules apply in addition to these Terms. In case of conflict between the terms contained in the Carrier Rules and these Terms, these Terms take precedence.

3. Commodities that may be shipped via NEU Parcel Solutions.

3.1. Only general commodities may be shipped through NEU Parcel Solutions. You must inform NEU in advance regarding any commodity requiring special handling, such as perishables, refrigerated goods, wet cargo, high value, etc. NEU may accept these goods subject to additional rates and restrictions.

3.2. Dimensional and weight restrictions for each NEU Parcel Solutions are as follows:

Service Type:	Maximum Weight:	Maximum Dimension:
NEU Sky-Ex Saver	30 kg	170 cm > L+W+H
NEU JetPak	32 kg max per piece 70 kg max for combined total weight of multiple pieces	170 cm > L+W+H
FedEx International Priority FedEx International Economy	68 kg per piece Unlimited max for combined total weight of multiple pieces	Dimensions per package can be up to 274 cm (108") in length, or 330 cm (130") in length and girth combined.
DHL Express Worldwide	Varies by destination country: - 70 kg per piece	Varies by destination country: L: 120 cm W: 80 cm H: 80 cm
FedEx Express Priority Overnight FedEx Express Standard Overnight FedEx Express 2 Day FedEx Express Express Saver FedEx Ground *FedEx Home Delivery	150 lb per piece Unlimited max for combined total weight of multiple pieces *Home Delivery : 70 Lb	Maximum size is 108 inches in length and 165 inches in length and girth combined.
USPS Priority	70 lb	Maximum length and girth: 108 inches
USPS First-Class	13 oz	34 inches long or 17 inches high or 17 inches thick

Packages that exceed these limitations will not be accepted under NEU Parcel Solutions and you may be directed to use an alternative service offered by NEU.

3.3. NEU does not accept, and you shall not attempt to ship, any items prohibited by Carrier Rules above. In addition, NEU will not accept: cash and other negotiable instruments, live animals or plants, threatened and endangered species, hazardous materials, human remains; arms,

ammunition and other regulated items; any prohibited items for export or import (e.g., counterfeit goods, contraband, etc.); Dangerous Goods (as that term is defined by the latest IATA Dangerous Goods Regulations); and products with quarantine requirements.

- 3.4. NEU reserves the right in its sole discretion to open and inspect any package tendered for transportation, but NEU is not required to open or inspect any packages. You must sign the Consent to Screen form covering the specific shipment or series of shipments as mandated by air cargo security regulations. If you refuse such consent, NEU will refuse your shipment.
- 3.5. NEU will not transport any shipment that is prohibited by applicable law or regulation of any international, federal, state, provincial, or local government in the origin or destination country.
- 3.6. NEU reserves the right to reject any shipment that fails to meet the above restrictions. In addition to the initial freight, you will bear the cost of returning and/or disposing of any rejected shipment.

4. Packing and Labeling.

- 4.1. All packages must be delivered to NEU “ready for carriage” – properly marked and packaged for ordinary handling and transportation. Packaging and packing materials should be strong enough to provide protection from ordinary weather elements, such as wetness, low temperatures, heat, and humidity, as well as ordinary handling by machines and people. Packages should also be secured as to prevent leakage or tampering.
- 4.2. Consignee’s name, address and postal code must be clearly visible, as well as any reference codes, warning and content labels.
- 4.3. NEU reserve the right to refuse or discard any packages that are improperly packed or labeled.

5. Documentation.

- 5.1. You must accurately complete all shipping documents, including Air Waybills, Shipper’s Declaration, and other transit documents. To ensure orderly customs clearance, you must also submit a complete and accurate commodity list to NEU before the packages are tendered to NEU.
- 5.2. You warrant the accuracy of all invoices, documents and information you furnish to NEU or its agent for export, entry or other purposes and you agree to indemnify and hold harmless NEU against any increased duty, penalty, fine or expense, including reasonable attorneys’ fees, resulting from any inaccuracy, incomplete statement, omission or any failure to make timely presentation, even if not due to your negligence.

6. Compliance with Laws and Regulations.

You shall comply with all applicable laws and regulations of the countries through which the shipment will travel. This includes all customs regulations and US export control laws.

7. Rates and Charges.

- 7.1. NEU’s quoted rates are only applicable to cargo that does not require special handling.
- 7.2. NEU’s quoted rates include freight charges and other costs incurred from pick-up to delivery, but do not include taxes, customs duty, carrier and government surcharges (such as fuel and security), and cargo screening fees.

- 7.3. Additional charges apply when special handling is requested, such as: pickup and delivery requests outside regular business hours or at designated times, pick up or delivery outside NEU's regular geographic operational area, packing or unpacking, sorting, adding or changing delivery locations, animal or plant quarantine, content checking, storage fees beyond the specified free storage periods, invoice preparation, troubleshooting, etc. Additional transfer/handling charges also apply when the shipper or consignee designates a third party customs broker.
- 7.4. Rates may be recalculated based on actual weight and dimension of shipments at any time.
- 7.5. NEU's rates are subject to change without notice.
- 7.6. NEU does not accept "freight collect" shipments.

8. Collection on Delivery ("COD").

- 8.1. COD Service is only available for JetPak Service.

9. Payments.

- 9.1. All payments are due within 15 days after the invoice date. Overdue amounts are subject to interest at 1.5% per month.
- 9.2. On any account balances over 60 days old, you also agree to bear the cost of collection, including any collection agency fees, court costs, and attorneys' fees.
- 9.3. Any billing discrepancies must be brought to NEU's attention within 180 days of the shipment date. Otherwise, they are waived.
- 9.4. You shall pay, in addition to the freight charges due NEU, all taxes and duties applicable to your shipment.
- 9.5. You hereby grant NEU a general lien on any and all of your property (and documents relating thereto) in NEU's possession, custody or control or en route, for all claims for charges, expenses, or advances incurred by NEU in connection with any of your shipments.

10. Refused or Otherwise Undeliverable Shipments.

You are responsible for any shipments that the consignee refuses, fail to clear customs, or otherwise become undeliverable. Those shipments may be returned to origin or re-routed at your sole cost and expense. If you fail to give NEU full payment and direction concerning such shipments within 5 days after NEU's notice of undeliverable freight, NEU may sell or otherwise dispose of those goods at NEU's sole discretion.

11. Indemnification.

You will defend, indemnify and hold harmless NEU and its carriers against any fines, penalties, taxes, claims, losses or damages arising from your breach of this agreement, negligence or willful misconduct.

12. Insurance.

We recommend that you insure your shipment. NEU's rates assume released value shipments and do not include insurance. You can purchase insurance on your own or through NEU's online shipping system.

13. Declared Value and Limitations of Liability.

- 13.1. For shipments to Japan, NEU's liability in case of damage, delay or loss to your shipment is limited to the actual value of your shipment or 19 SDR's per kilogram, whichever is lower. You may declare a higher value on the shipment prior to shipping, by paying a corresponding increase in freight, taxes and fees. Maximum declared value and NEU's liability per package for any NEU Parcel Service shipment to Japan is limited to \$26,500 for JetPak and \$2000 for Sky-Ex Saver.
- 13.2. For U.S. domestic shipments and international shipments to destinations other than Japan, the declared value and liability limitations in the Carrier Rules apply.
- 13.3. You cannot claim consequential damages, such as loss of profits, under any circumstances, even if you had informed us of such possibility.
- 13.4. NEU is not responsible for any damage, loss, or delay to shipments arising from:
 - i. Acts of third parties or other conditions beyond NEU's reasonable control;
 - ii. Acts of God, international incidents, extreme weather, catastrophe, terrorism, government intervention, and inherent vice of the shipment;
 - iii. Your violation of these Terms;
 - iv. Improper or insufficient packing;
 - v. Your errors or omissions;
 - vi. Shipment of prohibited items;
 - vii. Dangerous Goods not properly documented or declared;
 - viii. NEU's failure to notify you of any delay;
 - ix. NEU's or its carrier's failure to honor package orientation graphics; or
 - x. NEU's failure to honor re-routing instructions for shipments already in transit;
- 13.5. NEU is not responsible for any delays in pick up or delivery.
- 13.6. Any exclusion or limitation of liability applicable to the underlying carrier and defenses afforded by common law and international conventions also apply for the benefit of NEU, its agents and representatives.
- 13.7. In the event of a loss, damage or delay to a shipment for which neither NEU nor its carriers are responsible (or liability cannot be determined with reasonable certainty), you bear the expense of any storage, return and disposal of such shipment.

14. Claims Process.

- 14.1. On US domestic and international shipments to destinations other than Japan, you must follow the claims procedures outlined in the applicable Carrier Rules.
- 14.2. For shipments to Japan, loss or damage claims must be reported to NEU as soon as possible, but in no event later than 5 days after delivery. The shipment must be preserved to give NEU and its agents a reasonable opportunity to inspect the damage. NEU will promptly evaluate

your claim and either pay or decline the claim within 60 days. Damaged shipments may not be released or discarded without NEU's consent. Arbitration must be requested in writing within 1 year of NEU's declination of your claim.

14.3. Claims not processed within these time limits and in accordance with these procedures are waived.

15. No Warranties.

NEU MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED.

16. Governing Law. New York law will govern the interpretation of this contract.

17. Dispute Resolution. You agree to resolve any disputes by arbitration in New York City in accordance with the rules of the American Arbitration Association.

18. Assignment. You may not assign your rights and duties under these Terms.