

# CONDITIONS OF CONTRACT

(TERMS AND CONDITIONS)

## 1. Introduction

Expert Show Logistics LLC ("ESL") is licensed as and operates as a Freight Forwarder and Indirect Air Carrier. In tendering shipment(s) for surface or air transportation within the United States or to or from Puerto Rico and/or other U.S. Territories, Customer agrees to be bound by these U.S. Domestic Terms and Conditions of Contract of Carriage ("Terms and Conditions"); and indicates its understanding that the ESL 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. NOTE: "Customer" in these Terms and Conditions means the party from whom the shipment is received, any party who requested the shipment be transported by ESL, any party having an interest in the shipment, and any party who acts as an agent for any of the above.

These Terms and Conditions constitute the contract of carriage between ESL and Customer; and these Terms and Conditions shall supersede and prevail over any conflicting terms and conditions contained on any bill of lading, waybill, shipping document, shipping receipt, or other purported contract of transportation (unless executed by ESL and Customer and, by its terms, supersedes these Terms and Conditions) under which any shipper, carrier, person or entity undertakes to tender freight to ESL for transportation. The signature of ESL's driver or the driver or any of its agents on any such document shall be solely for the convenience of the party tendering such shipment and shall not constitute an acceptance by ESL or ESL's agent of any terms which vary from these Terms and Conditions. In the event that a shipment is tendered on a domestic air waybill that is intended for international transport, then the provisions of Section 5.6 below shall apply.

Customer warrants and represents to ESL that the information set forth on the face of the ESL waybill, bill of lading(s) or other shipping document or the information supplied to ESL 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 ESL from any liability whatsoever for loss of or damage to any item(s) incurred as a result of such violation and shall also cause Customer to be liable to ESL for all claims, fines, penalties, damages, costs or other sums, including reasonable attorneys' fees, incurred by ESL as a result of such violation.

## 2. Liability

- 2.1 At time of delivery, the consignee must note on the delivery receipt any exceptions to the count or condition of the shipment or the shipping containers. Where otherwise liable under these Terms and Conditions, ESL shall not be liable for concealed loss or damage not noted on the delivery receipt and/or not consistent with visible signs of damage to the outside shipping container(s), unless Customer provides written notice to ESL within 48 hours of delivery (or verbal notice in the case of damage to perishable commodities) and is able to prove that such loss or damage occurred while the shipment was in ESL's or its agent's possession. A clear delivery receipt shall be prima facie evidence of ordinary care in handling and receipt of the shipment(s) in full and in good condition. Notations such as "subject to inspection or count" will not be considered evidence of damage or shortage.
- 2.2 ESL's liability for loss or damage to any shipment of products or portion thereof is limited to the standard liability agreed upon between the carrier and ESL or the lesser of (A) \$0.50 per pound per piece lost or damaged with a minimum of \$50.00 per shipment or, if a higher insured value is declared at time of shipment and excess value charges of \$0.65 for each \$100.00 of insured value is paid, the insured value; (B) the replacement value of an item of like kind and quality; (C) Customer's cost of the article or articles lost or damaged; or (D) the repair cost in the event that a claimed item can be repaired. If a claimed damaged item, whether new or used, cannot be repaired, Customer shall provide, at its own expense, a third party assessment and/or technician report which details the extent of the damage and why the item is unable to be repaired. Notwithstanding the foregoing, articles and/or shipments with an insured value in excess of \$25,000 will not be accepted for transportation unless Customer makes advance arrangements with ESL via electronic notification, email or U.S. postal service. Moreover, in no event shall ESL's liability for aggregate losses at any one time at any one place exceed \$100,000 unless mutually agreed upon in writing by both parties prior to tender of the shipment(s).
- 2.3 Should ESL inadvertently accept for transportation (A) any article(s) described in Section 3.5 herein or (B) articles with a insured value in excess of \$25,000 as to which Customer has not made advance arrangements with ESL or secured ESL's approval, as required in Section 2.2 above, ESL's liability for loss or damage thereto shall be limited pursuant to the terms of Section 2.2 for shipments on which no excess insurance has been declared.
- 2.4 It is agreed upon and understood that the C.O.D. amount of the shipment stated on the face of the shipping document(s) or transmitted to ESL via electronic means, if applicable, does not constitute the insured value of the shipment.
- 2.5 Where Customer seeks to insure a shipment consisting of more than one piece, it shall be Customer's responsibility to have a numbered label affixed to each such piece and then to assign a value correlating to each such number in the space provided on the face of the shipping document(s). Failing compliance with this requirement, ESL's liability for loss or damage to any part of such shipment shall be limited to the average insured value of the shipment times the number of the piece(s) lost or damaged.
- 2.6 Customer understands and agrees that the rates charged by ESL for services do not include insurance or other compensation for loss/damage other than as expressly provided herein. ESL may assist Customer, upon Customer's request, with the placement of excess cargo insurance. Unless requested by Customer in writing in advance of shipment, and such request is confirmed in writing by ESL, ESL is under no obligation to procure excess insurance on Customer's behalf. Any such cargo insurance procured by ESL on Customer's behalf shall be subject to the applicable policy terms thereof, and ESL shall not be liable if, for any reason, Customer is unable to recover a loss, in whole or in part, from the insurer under said policy, even if the premium charged by the

insurer is different from ESL's charges to Customer for the coverage. Should the cargo insurance coverage made available by ESL be insufficient to protect Customer's interests, Customer is encouraged to consult an insurance broker of its own choosing so as to purchase insurance elsewhere.

## 3. Liabilities Not Assumed

- 3.1 ESL SHALL NOT BE LIABLE IN ANY EVENT FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, INCOME, INTEREST, UTILITY OR MARKET, REGARDLESS OF WHETHER OR NOT ESL HAD KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED.
- 3.2 Due to the inherent nature of the transportation business, ESL does not guarantee pick-up, transportation or delivery by a special date or a special time, and shall not be liable for any claimed delay in pick-up, transportation, delivery or consequences resulting therefrom.
- 3.3 ESL shall not be liable for loss, damage, delay or monetary losses of any type caused by: Acts of God, including, but not limited to, weather events; acts of public authorities acting with actual or apparent authority; strikes or labor disputes; 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.
- 3.4 ESL shall not be liable for loss or damage to exterior packaging or outside shipping containers.
- 3.5 ESL 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 ESL: alcohol, automobiles/motorcycles, bills, boats, cash, checks, COD Payments, coins, cotton, currency, deeds, documents, evidence of debt, firearms, flowers, fresh product/foods, gemstones, gift cards, precious metals, grandfather/mother clocks, hazardous materials, live animals, manuscripts, mobile phones, models, money orders, neon items, notes, original/fine art perishable goods, personal household goods and personal effects, pharmaceutical drugs, plants, plate/flat glass, securities and other negotiable papers, tickets, tobacco, windows, and such other articles as provided in ESL's governing tariffs, individual contracts and/or service guide. Except as otherwise provided in these Terms and Conditions, no employee or agent of ESL has any authority to accept such articles for transportation or to waive the limitations contained herein.
- 3.6 ESL agrees to move shipments of used products under the following conditions: ESL shall not be liable for any concealed loss and/or damage not noted on the delivery receipt at the time of delivery. ESL shall not be liable for any electrical and/or mechanical derangement, rust, oxidation, discoloration, or cosmetic damage of any kind to the used product shipped. The shipment(s) must be properly packaged and/or crated in order to withstand ordinary care in handling during transit.

#### 4. Claims Process

4.1 Claims for loss or damage must be filed in writing with ESL within ninety (90) days after the delivery of the shipment, except that claims for failure to make delivery must be filed within ninety (90) days after a reasonable time for delivery has elapsed. In the case of claims for loss or damage to shipment(s), ESL must be allowed the opportunity to make inspection of the shipment(s), container(s), and packaging material(s) at the place of delivery. Failure to afford ESL the

opportunity to inspect claimed product and all related packaging shall be a bar to recovery of any claim.

- 4.2 In the event ESL approves a damage claim for payment, ESL shall be entitled to possession of the portion of the shipment for salvage for which claim was made and payment approved, with the exception of food products that may cause harm if sold in a damaged state. The failure to provide the damaged goods to ESL shall be a bar to recovery of any claim.
- 4.3 Overcharge claims must be filed in writing with ESL within 180 days of Customer's receipt of the original bill from ESL; and, provided that such a claim has been timely filed, any action or proceeding by Customer against ESL to recover such charges shall be commenced not more than eighteen (18) months after Customer's receipt of ESL's applicable invoice.
- 4.4 Any claim for damage to Customer's, the shipper's and/or the consignee's premises incurred during performance of services by ESL will be deemed untimely unless noted on the bill of lading or delivery receipt or reported to ESL in writing within 24 hours of service at that location. Failure of Customer, the shipper and/or the consignee to notify ESL'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 ESL to consider any such claim, ESL must be allowed the opportunity to make inspection of any property damage.
- 4.5 No claims will be considered until all transportation charges have been paid, except in instances where no part of the shipment has been delivered. Claims may not be deducted from transportation charges and no claims may be deducted from any other charges owed to ESL. ESL reserves the right to deduct claim payments from open Customer balances.
- 4.6 Formal claims, notices, and all related correspondence shall be filed with ESL at 256 Eagleview Blvd, #225, Exton, PA 19341 or emailed to service@expertshowlogistics.com.

## 5. Legal

- 5.1 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 ESL; and shall pay or indemnify ESL 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 ESL by reason of any violation of these Terms and Conditions or any other default of Customer, the shipper or the consignee or their agents. ESL shall have a continuing general lien upon all goods and documents in its or its agent's possession, custody, or control or en route for all amounts owed to ESL, including all charges, expenses, duties, fines, penalties, or advances in connection with any shipment or other transaction involving Customer. This lien supplements ESL's 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 ESL may sell such property by public auction or private sale. Any notice required to be given by ESL of a sale or other intended action with respect to any goods or documents, made by sending same to Customer at least ten (10) days prior to any proposed action, shall constitute fair, reasonable and adequate notice to Customer. Customer is liable for any deficiency from any sale.
- 5.2 All invoices not paid within 30 days of invoice date will be subject to a charge of 1.5% per month. ESL reserves the right to waive any and all discounts, rebates, and other special pricing on all past due balances. ESL shall perform a credit worthiness assessment and assign a credit limit determined by Customer's financial worthiness. ESL may at any time reassess the credit limit of Customer. An unfavorable change in the credit limit may result in a lien on goods and documents

as described in Section 5.1. In any dispute involving monies owed to ESL, the shipper and/or consignee shall be liable to and ESL shall be entitled to all costs of collection, including reasonable attorney's fees.

- 5.3 Customer, the shipper and the consignee shall hold ESL and its agents harmless for loss, damage, delay or any monetary losses which are a result of the performance of auxiliary services (services which are performed prior or subsequent to transportation, including, but not limited to, local cartage, crating, uncrating, packing, warehousing, and unpacking) performed or arranged directly by Customer, the shipper or the consignee and not by ESL. In the event that auxiliary services are performed by ESL or its agents, under no circumstances will the liability of ESL for any monetary loss resulting from the performance of such services be greater than the liability contained in these Terms and Conditions.
- 5.4 Customer, the shipper and the consignee agree that any assistance they or their agents, employees, contractors, or other affiliated parties may provide to ESL 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 ESL. Customer, the shipper and/or the consignee shall indemnify and hold harmless ESL 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 ESL.
- 5.5 Should ESL prevail in any legal action for the enforcement of these Terms and Conditions or collection of any sums due and payable under these Terms and Conditions, ESL shall be entitled to reasonable attorney's fees and costs.
- 5.6 In the event shipment(s) are international shipment(s), the liability of ESL shall be limited to the amounts set forth in the Warsaw Convention, as amended, or other government international treaty, law, statute, regulation, order or other requirement applicable to such shipment, and the applicable Terms and Conditions shall apply to any shipment(s) or portion thereof which is not governed by said government laws, treaties, statutes or regulations. ESL accepts the domestic shipping document(s) as Customer's letter of instruction with authorization to prepare and sign on Customer's behalf an international shipping document.
- 5.7 These Terms and Conditions shall be construed according to the applicable federal laws of the United States and laws of the State of Pennsylvania, without giving effect to that State's conflict of laws principles. These Terms and Conditions shall apply to all claims, regardless of whether said claims are founded in tort, contract, or otherwise. Any action arising from or related to these Terms and Conditions shall be prosecuted in the state or federal courts of Chester County, State of Pennsylvania, USA, to the exclusion of any other venue, and the parties hereby consent to the exclusive jurisdiction of said courts. The obligations in this paragraph shall survive termination of these Terms and Conditions.
- 5.8 In the event any paragraph(s) and/or portion(s) hereof are found to be invalid and/or unenforceable, then in such event the remainder hereof shall remain in full force and effect. ESL's decision to waive any provision herein, either by conduce or otherwise, shall not be deemed to be a further or continuing waiver of such provision or to otherwise waive or invalidate any other provision herein.

## 6. Scope of Service

6.1 Rates and charges for Customer's shipments will be based on actual or dimensional weight, whichever is greater. Customer is responsible to provide accurate weight and measurements for its shipments. Shipments are subject to re-weigh and re-measurement by ESL to confirm accuracy.

- 6.2 Quotations as to fees, rates of duty, freight charges, insurance premiums or other charges provided to Customer are for informational purposes only and are subject to change without notice; no quotation shall be binding upon ESL unless ESL in writing agrees to undertake the handling or transportation of the shipment at a specific rate or amount set forth in the quotation and payment arrangements are agreed to between ESL and Customer.
- 6.3 Collect on Delivery (C.O.D.) service is provided by ESL as a courtesy under the following conditions: (A) Customer must clearly identify the shipment as a C.O.D. shipment on the shipping document(s) and enter the amount to be collected in the C.O.D. Amount box on the shipping document(s) or notify ESL of the amount to be collected in writing by email or electronically prior to tendering shipment to ESL; (B) Customer must clearly specify the type of payment to be received (e.g., cash, check, money order or cashier's check) in the Special Instructions box on the shipping document(s); (C) each shipping container must be clearly marked C.O.D. and the amount to be collected must be marked on the side of the container containing the address label; and (D) ESL and Customer agree that ESL does not guarantee or verify that a check, money order, cashier's check or other such financial instrument is valid or negotiable. All payments are collected at Customer's risk. In the event that ESL fails to collect the requested C.O.D. amount, Customer's sole recourse shall be against the party from whom the amount was originally due, and Customer shall release ESL from all liability related to payments not collected.
- 6.4 Unless prior arrangements are made, the acceptance of cash by ESL and its agents for payment of freight charges and / or C.O.D. amounts is limited to a maximum of \$1000.00 per shipment and / or stop.
- 6.5 ESL shall have the right to: (A) substitute alternate carriers or other means of transportation and (B) select the routing or deviate from that shown on the bill of lading(s); and no substitution, rerouting or deviation deemed by ESL to be reasonable shall serve to invalidate any otherwise applicable limitation of liability. ESL shall use reasonable care in its selection of third parties, or in selecting the means, route and procedure to be followed in the handling, transportation, clearance and delivery of a shipment. ESL is authorized to select and engage carriers, truckers, forwarders, customhouse brokers, agents, warehousemen and others as required to transport, store, deal with and deliver the shipment(s).
- 6.6 In the event of refusal of a shipment by a consignee, or in the event that ESL, for any reason, is unable to deliver a shipment, ESL shall hold the shipment and provide notice to Customer of such non-delivery. Customer shall, within twenty-four (24) hours of receipt of said non-delivery notice (or by 5:00 pm local time on the following business day in instances of weekend/holiday notice), provide ESL with instructions to re-deliver, return, or divert the shipment to an alternate delivery address. Should Customer fail to provide disposition instructions for any non-delivery, such shipment within three (3) business days from the date of receipt of notice of non-delivery, such shipment shall be considered abandoned, and the original notice of non-delivery shall be deemed a notice by ESL of its intent to exercise lien rights pursuant to Section 5.1 hereto, thereby allowing for the sale of such shipment at the expiration of the referenced ten (10) day notice period. Customer shall be responsible for all charges related to storage, re-delivery, return, and/or other related services arising out of the non-delivery of a shipment.

## 7. Security, Compliance, Inspection

- 7.1 Shipments are subject to security controls by carriers and, where appropriate, by government agencies.
- 7.2 Copies of shipping documents will be retained by ESL for two years.

- 7.3 Shipments are subject to inspection by ESL at ESL's option to confirm weight, density, description and/or security clearance.
- 7.4 The TSA requires that ESL 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. ESL, the air carriers and the TSA may conduct screening of cargo from the date of the applicable shipping document. ESL 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 ESL. 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.
- 7.5 Any TSA related information sent to Customer by ESL is considered Sensitive Security Information (SSI) that is controlled under 49 CFR Parts 165 and 1520. No part of this information may be disclosed to persons without a "need to know" as defined in 49 CFR Parts 15 and 1520, except with written permission of the Administration of the Transportation Security Administration or the Secretary of Transportation. Unauthorized release of SSO may result in civil penalties or other action. For U.S. Government Agencies, public disclosure is governed by U.S.C. 552 and 49 CFR Parts 15 and 1520.
- 7.6 It is Customer's responsibility to know and comply with all licensing, classification, valuation, marking and other customs requirements, laws, regulations, and rulings enforced by the U.S. and any country having jurisdiction over a shipment, the laws and regulations of any applicable governmental agency, including but not limited to the U.S. Food and Drug Administration, and all other requirements, laws and regulations of any applicable country or governmental agency. ESL shall not be responsible for action taken, liquidated damages, or fines or penalties assessed by any governmental agency against a shipment because of the failure of Customer to comply with the laws, requirements or regulations of any country or governmental agency or with a notification issued to Customer by any such agency.