

# Terms and Conditions of Domestic Service

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United Parcel Service, which for the purposes of these Terms and Conditions shall mean the United Parcel Service operating company in the country of departure, (the "Carrier") is engaged in the International transportation of small packages, envelopes and freight ("packages") and services incidental or additional thereto.

The Terms and Conditions are published periodically by UPS. The most current version of these Terms and Conditions may be found at the UPS Web site (ups.com(r)) and is available at all local UPS offices. UPS reserves the right to unilaterally modify or amend any portion of the UPS Tariff, the Reference or Service Guide or these Terms and Conditions at any time without prior notice. The current version of these Terms and Conditions and any modifications or amendments supersede all previous UPS Reference or Service Guides. Any failure to enforce or apply a term or provision of the UPS Service or Reference Guide or the UPS Tariff shall not constitute a waiver of that term or provision by UPS, and shall not diminish or impair UPS's right to enforce such term or provision in the future.

The choice of suitable means of transportation is at the sole discretion of the Carrier. Saturdays, Sundays and public holidays are not regarded as working days for tariff and transit time purposes.

All packages covered under a single UPS Waybill/Consignment Note (the "UPS Waybill") shall be considered a single shipment.

If carriage by air involves an ultimate destination or stop in a country other than the country of departure, the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw, Poland, on 12th October 1929, or that Convention as amended by Protocol signed at the Hague on 28th September 1955 (the "Warsaw Convention") may be applicable and the Warsaw Convention governs and in most cases limits the liability of the Carrier in respect of loss of, damage or delay to, cargo.

Carriage by road may be subject, notwithstanding any clause to the contrary, to the provisions of the Convention on the Contract for the International Carriage of Goods by Road (CMR, Geneva, May 1956 and Protocol of 5th July 1978, Geneva) (the "CMR Convention").

All data connected with this contract will be stored in the country of origin and in other countries as necessary for the purpose of data processing.

The Carrier may engage subcontractors to perform transportation and incidental services and contracts on its own behalf and on behalf of its servants, agents and subcontractors each of whom shall have the benefit of these Terms and Conditions. No such party has authority to waive or vary these Terms and Conditions.

## Commodities Handled and Service Restrictions

The Carrier offers transportation of general commodities, as usually defined, subject to the following restrictions:

- a. No service shall be rendered in the transportation of any package or article weighing more than 70 kilograms (or 150 pounds), or exceeding 270 centimetres (or 108 inches) in length, or exceeding a total of 330 centimetres (or 130 inches) in length and girth combined, unless otherwise agreed by the Carrier.
- b. The maximum value or declared value per package in a shipment is limited to US \$10,000, except as otherwise stated in the current UPS rate/zone chart (the "Rate Chart"). Jewellery (other than costume jewellery) is limited to a maximum value of US \$500 per package, except as otherwise stated in the Rate Chart.
- c. Under applicable law, certain goods may only be transported under prescribed conditions and certain goods are prohibited from transportation by air. In addition, no service shall be rendered in the transport of any of the prohibited articles listed in the Carrier's current reference guide (the "Reference Guide").
- d. The Carrier does not provide special handling for the transportation of perishable goods or temperature controlled goods.
- e. The Carrier reserves the right to refuse or suspend transportation of any package which does not set out contact details for shipper and consignee and of goods which, in the Carrier's opinion, are not practicable for transportation or are not adequately described, classified or packed and labelled in a manner suitable for transportation and accompanied by necessary documentation.
- f. The Carrier shall not transport any goods which are prohibited by law or regulation of any federal, state or local government in the origin or destination countries or which may breach any applicable export, import or other laws or endanger the safety of the Carrier's servants, agents and subcontractors or the means of transportation or, in the opinion of the Carrier, soil, taint or otherwise damage other goods or equipment or which are economically or operationally impractical to transport.

## Right of Inspection

The Carrier reserves the right to open and inspect any package tendered to it for transportation, at any time, unless prohibited by applicable local law.

## Provisions for Customs Clearance

Where applicable, the shipper must provide documentation for customs clearance. By providing required documentation, the shipper certifies that all statements and information relating to exportation and importation are true and correct.

Furthermore, the shipper understands that civil and criminal penalties, including forfeiture and sale, may be imposed for making false or fraudulent statements. When a shipment is tendered to the Carrier, the Carrier is thereby appointed as the agent for performance of customs clearance, where applicable. The Carrier is specified as the nominal consignee for the purpose of designating a customs broker to perform customs clearance. Customs penalties, storage charges, or other expenses incurred as a result of an action by customs or failure by the shipper to consignee to provide proper documentation or to obtain a required license or permit will be charged to the consignee along with any applicable duty or tax. However, the shipper is liable in the event of non-payment by the consignee. Where applicable, the Carrier provides brokerage service at no additional charge for routine customs clearance. Additional charges may be applied for the complex clearance procedures listed in the Rate Chart.

#### **Correction of Wrong Addresses**

If the Carrier is unable to deliver any package because of an incorrect address, the Carrier will try to find the correct address by any reasonable means. If the correct address is secured and found to be in the same destination country, the shipper will be notified of the correction, and an additional charge, as stated in the Rate Chart, will be assessed for delivery or attempted delivery to the correct address. If the correct address is secured and found to be in another country, the provisions of the following paragraphs will apply.

#### **Delivery Attempts**

If the Carrier is unable to complete delivery of a shipment on the first attempt, a second and, if necessary, a third attempt will be made without additional charge.

#### **Suspension of Transportation**

The Carrier may at its option suspend transportation of any package or shipment if goods are found not to be acceptable for transportation for any reason whatsoever or if the Carrier cannot effect delivery to the consignee at the third attempt to do so or if the consignee refuses to accept delivery, whereupon shipper's instructions will be sought or, if, notwithstanding notice to the shipper, the Carrier is unable to obtain valid disposition instructions for the goods from the shipper. The shipper will be responsible for payment of all charges caused by such suspension of transportation, including, but not limited to, forwarding, disposal, or return transportation charges as well as any duty or tax, if applicable.

#### **Interruption of Service**

The Carrier shall not be liable for, and the Domestic Express 10:30 A.M. and Domestic Express Guarantee shall not apply to, any interruption of delivery, service or delay to any shipment due to a cause beyond the Carrier's control including, but not limited to, any act or omission of the shipper, consignee or owner of the goods, including the unavailability or refusal of the consignee or owner of the goods to accept delivery of the shipment, acts of God, inherent defect, vice or latent defect in the goods, public authorities acting with actual or apparent authority on the premises, acts or omissions of Customs or similar authorities, war, civil war, invasion, hostilities, rebellion, insurrection, riots, strikes or other labour disputes and disruptions in the air or ground transportation networks (such as weather phenomena), and natural disaster.

#### **Rates**

The rates are set out in the Rate Chart.

Transportation charges, except charges for UPS Express Envelopes, are based on the gross or dimensional (volumetric) weight of the shipment, whichever is greater. Dimensional weight is based on the current International Air Transport Association (IATA) volumetric standard, which is subject to change without notice. Fractions of a weight will be increased to the next published weight. A minimum charge, as stated in the Rate Chart, may apply for each shipment

#### **Payment for Service**

Charges due to the Carrier for its transportation and other services incidental or additional thereto and all other charges are as published in the Rate Chart and in effect on the date of shipment. All charges are due and payable (unless paid before the date of shipment) according to the billing options listed below and within seven days of receipt of invoice or prior to the expiry of the time limits agreed with local UPS offices. Any payments made by the Carrier on behalf of the shipper or the consignee in respect of value added tax, duties and other taxes and levies shall be due and payable to the Carrier upon demand.

Goods are held by the Carrier subject to a particular lien in respect of amounts due for its services and subject to a general lien in respect of other amounts owing by the shipper, consignee or owner of the goods. In addition to its other rights, in the event of non-payment of the above charges, the Carrier shall have the right to dispose of the goods at public or private sale (upon reasonable notice to the shipper or consignee) and to pay itself such amounts as are due and payable out of the proceeds of sale, net of expenses.

The shipper guarantees payment of all charges and shall indemnify the Carrier against all loss (including by reason of forfeiture or detention of the Carrier's goods), damage or delay suffered by the shipper or any other person to whom the Carrier is liable by reason of the shipper's failure to provide to the Carrier correct and complete particulars and declarations relating to the goods sufficient to meet the formalities of customs, security or government requirements at the places of origin and destination.

#### **Temporary Storage**

If required, packages will be stored free of charge for the first two working days from the date of arrival within the destination country, weekends and public holidays excluded, subject to local conditions pertaining in the destination country at that date. Thereafter charges will be levied at the rates published in the Rate Chart

### **Billing Options**

Unless otherwise restricted in the origin or destination country, the Carrier provides the following billing options:

- a. Prepaid - the shipper pays all shipping charges and the consignee pays the destination country's duty and tax, if applicable.
- b. Freight Collect (Ex Works) - the consignee pays all shipping charges and the destination country's duty and tax, if applicable (this option can only be used when the shipment's actual value is equal to or greater than the Carrier's published rate for transportation of the shipment).

The shipper must notify the consignee prior to shipping if any option other than Prepaid is selected, and that option must be stated on the UPS Waybill in the space provided. The shipper is liable for payment in the event of non-payment by the consignee or a third party.

### **Domestic Express 10:30 A.M. and Domestic Express**

The Carrier's on-schedule delivery of UPS Domestic Express 10:30 A.M. and Domestic Express service shipments to certain locations is supported by a money-back guarantee. In the event that the Carrier fails to complete delivery or attempt delivery within the Carrier's time commitment, the Carrier will, at its option, credit or refund the shipping charges to the payor upon request subject to the following conditions:

- a. The Carrier's delivery schedule for locations to which the guarantee applies has been obtained by contacting the Carrier's Customer Service Office.
- b. The shipment is properly documented on a UPS Waybill and bears either a UPS Waybill or UPS Domestic Services Tracking Label and address label (for multiple-package shipments), showing the consignee's correct name, deliverable address and postal code.
- c. The shipment is properly documented on a UPS Waybill and bears a UPS Saturday Delivery routing label for destinations to which optional Saturday delivery of shipments is available.
- d. The shipment is tendered to the Carrier during the Carrier's published business hours.
- e. All applicable documentation required by the origin and/or destination country is complete and included with the shipment.
- f. The Carrier is notified in writing or by telephone of the failure to deliver a shipment within the scheduled delivery time within fifteen (15) calendar days from the date of scheduled delivery and is advised of the consignee's name and address, date of shipment, package weight, and the UPS tracking number. The guarantee does not apply to shipments which are delayed due to causes beyond the Carrier's control or as set out above under "Interruption of Service" or "Suspension of Transportation".
- g. Payment by the Carrier pursuant to this guarantee shall constitute a full release of its obligation under the guarantee to refund the shipping charges to any party including the shipper, consignee or any third party.

### **Responsibility for Loss or Damage**

Where the rules relating to liability established by the Warsaw Convention or the CMR Convention apply, the Carrier's liability is governed by and shall be limited in accordance with such rules. Subject to applicable law, where the Warsaw Convention or the CMR Convention does not apply, liability for loss or damage is governed by these Terms and Conditions and shall be limited to proven damages up to an amount not exceeding US\$100 per package unless a higher value has been declared by the shipper as hereafter provided.

Subject as aforesaid, the Carrier is liable to the shipper, the consignee or the owner of the goods for any loss, damage, misdelivery or delay arising out of or in connection with the Carrier's services if caused by the willful misconduct of the Carrier, unless the Carrier can demonstrate that such loss, damage, misdelivery or delay was caused or contributed to by any act or omission of the shipper, consignee or owner of the goods or any act beyond the Carrier's control as set out above under "Interruption of Service". The Carrier shall not be liable for damage occasioned by loss of, damage to, or misdelivery of goods occurring during a suspension of transportation or following termination of transportation unless caused by the willful misconduct of the Carrier, its servants, agents or subcontractors.

The Carrier shall in no circumstances be liable for any indirect or consequential loss or damage caused by its negligence or other default in the performance of its duties, unless otherwise stipulated by law.

The limit of liability may be increased where a higher value for carriage is declared in writing on the face of the UPS Waybill and any additional charge, as stated in the Rate Chart, agreed to be paid in accordance with the billing options on the face of the UPS Waybill. If the shipper declares a higher value for carriage and pays the applicable charge, then UPS's liability shall be limited to a maximum of the value declared for carriage. The shipper hereby warrants to the Carrier that any such value declared represents its full interest in the goods at delivery.

### **Time Limit for Claims**

Any claims howsoever founded in connection with any shipment not made within six months after delivery of any package or, in the case of non-delivery, within six months from the date of the UPS Waybill, shall be deemed waived.