

STANDARD TERMS AND CONDITIONS

The Terms and Conditions set out below
exclude or otherwise limit the Company's liability with
respect to the goods to be transported
(Please Read Carefully)

- I. **Acceptance of Goods for Transit.** ARPCO Transport Services (“The Company”) undertakes to arrange for any or all of the following services (“The Services”): packing, crating, handling, loading, unloading, storage, or transport of goods for the Customer. The Services shall be performed under the following terms and conditions:
- Duties of the Company when acting as Agent:** a) The Company shall procure the Services from third parties in the name, and on behalf of, the Customer. b) There shall exist a direct relationship between the Customer and those third parties. The Company shall be permitted to act in any reasonably necessary manner and shall perform its duties using a reasonable degree of care and diligence. c) The Company shall perform its services within a reasonable time, taking all reasonable steps to perform the transaction in accordance with the Customer's instructions. d) The Company shall be permitted to depart from any instruction from the Customer if the Company deems it necessary to do so in order to protect the Customer's interests. e) The Company shall seek further instructions from the Customer if it becomes impossible at any time for the Company to fulfill its duties. f) The Company shall not be liable for loss of or damage to the goods while the goods are in the custody, possession, or control of third parties.
 - Duties of the Company when acting as a Principal:** If the Company itself performs any of the Services for the Customer and it does not issue a bill of lading, air waybill, or other contract of carriage, or if the Company retains third parties in its own name to perform any of the Services to be provided, then the following provisions shall apply: a) The Company shall decide the means, route, and procedure to be followed for the shipment of the goods. b) The Company accepts liability for the loss of or damage to the goods taken into its charge. c) The Company shall perform all Services in a reasonable and work-man-like manner. d) If neither the Customer, the consignee, nor any other party authorized takes possession of the goods at the time of their intended delivery, then the Company shall be entitled, at the Customer's expense, to store the goods at any public or private warehouse. The liability of the Company shall cease once it has delivered the goods to such warehouse.
 - Duties of the Company when acting as a Carrier:** The Company may issue a bill of lading, air waybill, or other contract of carriage or storage, for any segment, or for all of the Services to be provided. Where such bill of lading, air waybill, or contract of carriage or storage is issued by the Company, the Terms and Conditions of those documents shall govern the rights and responsibilities of the parties during the time when those documents are in effect.
 - Period of Responsibility of the Company:** The Company shall be responsible for the loss of or damage suffered by the goods from the time it takes the goods into its custody until the time it delivers the goods. The goods shall be deemed to have been received by the Company when they are received by the Company itself or by any person acting on behalf of the Company.
 - Duties of the Customer:** a) The Customer warrants that it is either the owner or the authorized agent of the owner of the goods. b) The Customer authorizes the Company to contract in the name of the Customer with third parties to perform any or all of the Services on behalf of the Customer. c) The Customer shall provide a full and accurate description of the goods to be transported. d) Except where the Company is instructed to do so, the Customer shall properly pack, stow, and prepare the goods in a manner suitable and appropriate for shipment by any mode of transport. e) The Customer shall mark the goods and the outside packaging as required by any laws or regulations which may be applicable while the Services are being provided. f) The

Customer shall pay all freight charges, duties, and/or other sums connected with the handling and transportation of the goods. g) The Customer shall pay to the Company all sums immediately when due, without reduction or deferment on account of any claim. h) The Customer shall remain responsible for the payment of all charges when the Services are to be provided upon instructions to collect freight, duties, charges, or any other expenses from another entity. i) The confiscation or detention of the goods by any governmental authority shall not affect or diminish the liability of the Customer to pay all charges or other sums due promptly on demand. j) The Customer shall not deliver any goods which are dangerous, flammable, radio active, or hazardous except under special arrangements in which prior notice is given to the Company. k) The Customer shall not deliver any bank notes, bonds, negotiable instruments, securities, bullion, coins, precious stones, jewelry, valuables, antiques, human remains, livestock, or plants except under special arrangements in which notice is given to the Company. l) The Customer shall advise the Company if any goods are liable to taint or affect other goods or are likely to harbor or encourage vermin or other pests.

6. **Indemnification by the Customer.** The Customer shall indemnify and hold the Company harmless for: a) All duties, taxes, fines, or other expenses incurred by the Company, caused by the Customer, or any party acting on his behalf. b) Any claim for general average and/or salvage, and the Customer shall provide such security as may be required. c) Where the Customer himself has prepared the goods for transport, for any claim by a third party for bodily injury or property damage arising out of the Customer's failure to pack, load, stow or otherwise adequately prepare the goods for shipment.
7. **Lien on Cargoes.** a) The Company shall have a general lien on any and all property of the Customer in its possession, for any claim for charges, expenses or advances incurred by the Company in connection with any of the Services rendered to the Customer. b) If such claim remains unsatisfied for thirty (30) days after a demand is made, the Company may sell the goods at public auction or private sale on ten (10) days written notice to the Customer in satisfaction of the sum due to the Company. c) Any surplus from such sale, after the payment of any applicable expenses, shall be transmitted to the Customer. d) The Customer shall remain liable for any deficiency in the sale.
8. **Presentation of Claims.** a) In the event that the goods are lost, damaged, delayed, or otherwise received in a manner inconsistent with its intended delivery, the Customer shall give notice to the Company, immediately after it learns of the condition, but not later than seven (7) days thereafter. On receipt of such notice, the Company shall arrange for an investigation of the circumstances surrounding the matter. b) Except where the terms of any international convention for the transport of the goods specifically applies, the Company shall not be liable for the loss, delay, or damage to the goods, unless the Customer submits a written notice to the Company as soon as the Customer learns of any event. c) Giving rise to a claim, but not later than ninety (90) days from the date of delivery or from the intended date of delivery. d) No suit to recover any sum shall be maintained against the Company unless it is instituted within one (1) year from the date of the loss or incident giving rise to the claim.
9. **Limitation of liability.** In the event that the Company has not issued either a bill of lading, air waybill, or other contract of carriage or storage for any segment, or for all of the Services to be provided, the liability of the Company shall be limited to \$50.00 per shipment or transaction. The Company shall not be liable under any circumstances for loss of market, loss of profits, punitive, statutory, or special damages, or any other consequential loss.
10. **Severability** The Terms and Conditions hereof shall be severable, and if any part shall be held invalid, such holding shall not affect the validity or enforceability of any other part hereof.
11. **Law and Jurisdiction** The terms and conditions of the Services to be provided shall be construed in accordance with the laws of the State of Texas. The parties expressly agree that the United States District Court for the Northern District of Texas shall have exclusive jurisdiction over any suit filed in connection with the Services.

Notes:

Date of this Revision: April 2012

1. This document allows for the use of the FBL, a Warsaw air waybill or other bill of lading containing a statutorily permitted limitation of liability.