

**UPS EXPRESS CRITICAL® TERMS AND CONDITIONS OF CONTRACT**  
**United States and International Destinations**

**EFFECTIVE July 10, 2017**

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**UPS EXPRESS CRITICAL® TERMS AND CONDITIONS OF CONTRACT**  
**United States and International Destinations**

**EFFECTIVE July 10, 2017**

**I. INTRODUCTION**

- A.** UPS Express Critical® is a service provided by UPS Supply Chain Solutions, Inc. The following contains the general terms and conditions of contract under which UPS Express Critical Services are provided. These Terms are effective on the date set forth above, and are subject to change without prior notice. The most current version of the Terms is published on the UPS web site at [www.ups.com](http://www.ups.com). In tendering the shipment for delivery, the shipper and consignee agree that the version of these Terms in force at the time of presentation of the shipment for carriage including, but not limited to, the limitations of liability herein, will apply to the shipment and its carriage.
- B.** These Terms shall apply to all UPS Express Critical Services shipments save to the extent otherwise required or mandated by any international, national, federal, state, or local law, rule, convention, or regulation applicable to the shipment.
- C.** Depending upon the region where services are provided by UPS, the shipper's contract will be with whichever of the following companies is applicable: UPS Supply Chain Solutions, Inc. with respect to the Americas region, UPS Europe SPRL ("UPS SCS Europe") with respect to the Europe, Middle East and Africa regions, and UPS Asia Group Pte. Ltd. ("UPS SCS Asia") with respect to the Asia-Pacific region, each of which shall be referred to as the "Network" as such term is used in this Agreement, but solely with respect to the services provided in their respective regions. Without prejudice to the identity of the contracting UPS party, all services provided in the country of the shipper or the consignee will be provided by the UPS SCS entity located in that country ("SCS Local Entity") and not by any of the Networks or any other UPS affiliated company. The service provided by UPS under these Terms trades under the brand of "UPS Supply Chain Solutions." A description of the countries comprising each of the Americas, Europe, Middle East, and Africa, and Asia-Pacific regions is available upon request.
- D.** UPS may engage subcontractors to perform services. UPS contracts on its own behalf and on behalf of its servants, agents and subcontractors, each of whom shall have the benefit of these Terms including, but not limited to, the Limitations of Liability contained in these Terms. Shipper expressly authorizes UPS to subcontract part or all of the services.
- E. Definitions.** As used in these Terms and in any UPS Express Critical Services shipping documents, including Air Waybills, the following meanings shall apply:
1. "Air Waybill" means the version of the UPS Express Critical Services Air Waybill or the UPS Shipper's Letter of Instruction current at the time the

shipment is presented to UPS for carriage (available at [www.ups-scs.com](http://www.ups-scs.com), or upon request).

2. “CMR Convention” shall mean the Convention on the Contract for the International Carriage of Goods by Road, signed at Geneva on 19 May 1956.
3. “Delivery” for all purposes shall be deemed to include, but not be limited to, delivery to the consignee’s actual or apparent agent or representative, including a customs broker selected by the shipper or consignee, delivery to the address specified on the Air Waybill or the shipping system used, delivery to any person present at the address or location specified on the Air Waybill or the shipping system used, delivery to a reasonable alternate address or location, or delivery in accordance with trade custom or usage. To the extent permitted by applicable law, UPS does not limit delivery to the person specified as the consignee on the Air Waybill or the shipping system used.
4. “Domestic shipment” is a shipment that moves solely within the borders of a country or its possessions.
5. “International shipment” is a shipment that moves from one country to another. It also refers to any shipment with an origin or destination in Taiwan, the Hong Kong Special Administrative Region, or the Macau Special Administrative Region.
6. “Piece” means a single pallet or an individual, non-palletized package.
7. “Pounds” refers to the measure of weight and not to a unit of currency.
8. “Shipment” means one or more pieces moving on a single Air Waybill or manifest from an automated shipping application.
9. “Transportation charges” means the amounts assessed for the movement of a shipment and does not include any other fees or charges which may be assessed including, but not limited to, all applicable accessorial charges, special or additional handling fees, customs duties and taxes, Declared Value charges, surcharges, and late payment fees.
10. “UPS” shall refer to UPS Supply Chain Solutions, Inc., UPS SCS Europe, UPS SCS Asia or the SCS Local Entity, as applicable, and their respective employees and agents.
11. “Warsaw Convention” shall mean (a) the Convention for the Unification of Certain Rules Relating to the International Carriage by Air, signed at Warsaw on 12 October, 1929; (b) that convention as amended or supplemented by any protocol or supplementary convention; or (c) the Convention for the Unification of Certain Rules for International Carriage by Air (Montreal, 28 May 1999), whichever is applicable.

12. Except as otherwise provided in these Terms, all references to “dollars” refer to U.S. dollars.

## **II. ACCOUNT NUMBERS**

A valid UPS Supply Chain Solutions® account number or a valid UPS shipper number is required for all shipments unless payment is made at the time of shipment. The use of a valid UPS Supply Chain Solutions account number ensures that: (a) UPS Supply Chain Solutions’ invoices are sent to the proper locations for payment; (b) account activity is accurately summarized by UPS systems and; (c) the payor is billed with the appropriate rating. Account numbers will be made available to qualified shippers.

## **III. ADDRESS CORRECTION**

- A.** If a consignee’s address or ZIP/postal code is found to be incorrect or incomplete, UPS will attempt to determine the correct or complete address and complete the delivery as expeditiously as possible, but assumes no responsibility for the inability to complete delivery under such circumstances, and if required by applicable law, UPS will at the same time notify the shipper. A special handling fee per correction will be assessed for this service. If the correct or complete address cannot be determined, and if the consignee cannot be reached, the shipper will be contacted for address clarification or instructions for the return of the shipment. (See Section XXIII, Notice and Disposition of Property).
- B.** UPS does not deliver to P.O. Box addresses, P.O. Box ZIP/postal codes, Army Post Office or Fleet Post Office addresses or local, state or federal prisons. Shipments so addressed will be considered an incorrect address and handled as outlined in Subsection A, above.

## **IV. AIR WAYBILL; SHIPPING DOCUMENTATION**

- A.** The shipper shall have the duty to prepare and present a current version of the Air Waybill for UPS Air Express Critical Services for each shipment. If a person other than the shipper prepares the Air Waybill, that person shall be deemed to have done so as agent for the shipper. If other shipping documentation, including without limitation a prior version of the Air Waybill or customer-provided documentation, is received by UPS and used for the purpose of carriage, it shall be used for convenience purposes only; any terms and conditions on such documentation will not change or supersede these Terms; and the shipments concerned shall be subject to these Terms and the terms on the reverse of the Air Waybill in effect at the time of shipping. The Air Waybill shall be non-negotiable and shall be binding on the shipper. The shipper hereby agrees that it will indemnify and hold harmless UPS against any and all claims, liabilities, losses, expenses (including attorney’s fees and expenses), demands, and suits arising out of or attributable to the use of shipping documentation other than the Air Waybill and for any inaccuracy or incompleteness in the particulars entered on the Air Waybill or such other shipping documentation.

- B.** The Air Waybill shall be deemed to be an air waybill within the meaning of the Warsaw Convention. If there is a conflict between these Terms and the terms and conditions on any Air Waybill or other shipping documentation, these Terms shall control, to the extent not in conflict with the rules relating to liability for international carriage established by the Warsaw Convention, or the CMR Convention, or any other applicable convention or treaty.
- C.** If requested and available, UPS will provide the shipper with a copy of the Air Waybill, shipper's manifest or other non-negotiable shipping document on which the shipment was tendered to UPS. A charge per copy will be assessed for this service.
- D.** It is the shipper's sole responsibility to accurately and completely:
1. Specify the contents of all shipments on the Air Waybill;
  2. Provide a legible shipper contact name and telephone number on the Air Waybill;
  3. Provide a legible consignee contact name, telephone number, address, and ZIP/postal code on the Air Waybill; and
  4. Specify on the Air Waybill the accurate number of pieces included in the shipment.
- E.** The shipper shall provide accurate dimensions and weight of the shipment on the Air Waybill. If such information is not provided, or is incorrect, UPS reserves the right to measure and weigh the shipment and apply any applicable charges, including oversize surcharges, or apply a standard "default" piece count and weight estimate to the shipment. Omission of the service level on the air waybill will default to the most expeditious service available.
- F.** If the shipment contains Dangerous Goods, as defined in Section XIII ("Dangerous Goods"), below, the shipper shall have the sole obligation and responsibility to so state on the Air Waybill, and to comply with all International Air Transport Association ("IATA") regulations for shipments of Dangerous Goods and any and all other applicable law. UPS reserves the right not to accept shipments containing Dangerous Goods. If the commodity being shipped is not Dangerous Goods, but could be confused as such, the shipper shall place the words "NOT RESTRICTED" on the Air Waybill to indicate that the shipper has reviewed the shipment content against the appropriate regulations and determined that the shipment does not qualify as Dangerous Goods and otherwise complies with all applicable regulations.
- G.** If the shipper does not complete all the documents required for the service, or if the documents submitted are not appropriate for the service or destination requested, UPS may in its discretion, and where permitted by law, complete, correct, or replace the documents for the shipper at the shipper's expense, and at shipper's risk, but is not obligated to do so. The terms of the Air Waybill shall apply regardless of UPS's completion of a substitute form of air waybill to complete the receipt or delivery of

the shipment. UPS shall not be liable to the shipper or any other person for its actions under this provision.

- H.** The shipper declares, represents, and warrants that all pieces presented for carriage:
  - 1. Comply with the restrictions set forth in these Terms;
  - 2. Except as prepared for carriage by UPS, have been prepared in secure premises by the shipper (in the case of an individual shipper), or by reliable staff employed by the shipper; and
  - 3. Have been protected against unauthorized interference at all stages during their preparation, storage, and transportation before their presentation to UPS for carriage.
- I.** UPS relies on the foregoing declaration, representation and warranty in accepting any piece for carriage hereunder.
- J.** It is the shipper's sole responsibility to accurately and completely package, mark and label lithium battery shipments in accordance with all applicable laws, regulations and UPS requirements applicable to shipments of lithium batteries. UPS may in its sole and unlimited discretion, and where permitted by law, complete or correct labels or shipping documents but is not obligated to do so. UPS reserves the right in its sole and unlimited discretion to charge shipper for any re-labeling or document corrections.

## **V. APPLICATION OF CHARGES**

- A.** Rates and charges for UPS Express Critical services can be obtained by calling UPS Express Critical Customer Service at 1-800-714-8779.
- B.** Except as otherwise provided for herein, transportation charges for a shipment will be assessed on the gross weight of the shipment based on the greater of:
  - 1. The actual weight, or
  - 2. The cubic dimension weight determined in accordance with Subsection D.
- C.** In computing charges, fractions of pounds will be rounded up to the next whole pound. Fractions of kilograms will be rounded up to the next half kilogram. Fractions of inches or centimeters will be rounded up to the next higher unit.
- D.** Charges for domestic U.S. shipments with overall measurements exceeding 166 cubic inches will be assessed on the basis of one pound per 166 cubic inches or fraction thereof. Charges for international shipments with overall measurements exceeding 139 cubic inches will be assessed on the basis of one pound per 139 cubic inches or fraction thereof. Cubic measurements will be based on the product of the length times width times height of each piece comprising a shipment.

- E.** For all shipments moving via ground (surface), shipments will be rated based on the size vehicle required to hold the freight. Shipments requiring specialized equipment or services will be assessed additional charges.
- F.** All rates are determined by the Network responsible for the region where the shipment originates (“Originating Network.”)
- G.** One-day rate quotes are applicable to the specific shipment under quote only and are valid for 4 hours. Rate and service quotations will be based upon the information provided to UPS, but final rates and service may vary based upon UPS’s final verification of the shipment actually tendered.
- H.** UPS reserves the right to bill for all applicable Transportation charges and other charges, including, but not limited to, all accessorial charges, surcharges, and additional handling charges applicable to the shipment or to the services requested. UPS reserves the right to audit all shipments to verify service selection, piece or shipment weight or dimensions, and any other charges, and to make appropriate adjustments. Fines, penalties, liquidated damages, storage charges, or other expenses incurred as a result of any action by a government authority or as a result of error or omission of the shipper or consignee, or any other reason without the fault of UPS will be the liability of the customer and charged accordingly.
- I.** UPS reserves the right to institute a currency adjustment fee on some or all shipments without prior notice. The currency adjustment fee may apply to any Transportation or other charges, including, but not limited to, accessorial charges. The currency adjustment fee will be applied to such services and for such periods as UPS, in its sole discretion, may determine necessary.
- J.** UPS reserves the right to institute a fuel surcharge on some or all shipments without prior notice. This surcharge is subject to periodic adjustment and may apply to any Transportation charges or other charges, including, but not limited to, accessorial charges. The current fuel surcharge is described at <https://www.ups-scs.com/transportation/surcharges.html>. This surcharge will be applied to such services and for such periods as UPS, in its sole discretion, may determine necessary.
- K.** UPS reserves the right to increase its rates and charges, and to impose surcharges (including without limitation for fuel, security costs, or costs resulting from compliance with regulatory changes applicable to the shipment) without prior notice, and to continue such increases for such periods as UPS may determine necessary.
- L.** Shipments transported onboard a domestic, international or cross-border passenger flight departing a Canadian Air Transport Security Authority designated Canadian airport, where the shipper is not a Registered Shipper with the Transport Canada Air Cargo Security Program, are subject to an additional screening charge (Security Charge - Origin) in the amount of \$0.15 CAD per kilogram of billable weight per shipment, with a minimum charge of \$25.00 CAD per shipment. This Security



Charge is subject to change without prior notice. Increased freight rates may also apply due to a change in service level if screening requires separation of cargo from a consolidated shipment with other registered shippers.

## **VI. PAYMENT OF CHARGES**

- A.** Except as otherwise provided in these Terms, rates, fees, and charges referred to in these Terms are stated in U.S. currency and are payable at UPS's discretion in either the lawful money of the United States or the currency of the country where the shipment is presented, or such other lawful money as specified by UPS. Additional fees may apply when charges are paid in a currency other than the default currency designated by UPS. For rates and charges stated in local currency, contact the local UPS Supply Chain Solutions office.
- B.** For customers that do not have a credit account with UPS, all charges shall be paid in advance of shipment in a manner acceptable to UPS at the time UPS accepts the shipment, and all collect charges are payable at the time of delivery in a manner acceptable to UPS. In the case of a check made payable to a UPS entity, funds are deemed received on the day the check is paid by the bank on which it is drawn and funds are credited to the UPS account. In the case of a wire transfer, funds are deemed received on the day the funds are credited to the UPS account.
- C.** Customers who wish to pay for services via a UPS Supply Chain Solutions nine-digit account number shall apply and qualify for a credit account with UPS. If the application is approved and a credit account is established, then the customer shall make payments in accordance with the UPS Supply Chain Solutions Credit Terms and Conditions, the effective and current version of which is available at [www.upsscs.com](http://www.upsscs.com). Unless and until the customer is notified that its application is approved and a credit account is established, which approval may be granted or denied in UPS's sole discretion, or if any such credit account is suspended or terminated, all charges shall be paid within ten days of receipt of invoice or in advance of shipment if required by UPS in its sole discretion, unless UPS otherwise agrees in writing.
- D.** Customers shall pay all duties, taxes, interest, and other charges due on imported goods to the U.S. either (i) directly to United States Customs and Border Protection ("U.S. CBP"), through a check to U.S. CBP or U.S. CBP's Automated Clearinghouse (ACH), in accordance with applicable U.S. CBP requirements and regulations, or (ii) to the account of UPS. Payment of any required duties, fees, taxes, interest and other charges due on imported goods must be received within ten (10) days of the commencement of the entry process. Customers shall be liable for any penalties, fines, or any other damages that may arise as a result of failure to make timely payment.
- E.** Customers shall pay all duties, taxes, interest, and other charges due on imported goods to destinations other than the United States or on exported goods from origins other than the United States as required by UPS or by law or regulation of the origin

or destination country (as the case may be). Customers shall be liable for any penalties, fines, or any other damages that may arise as a result of failure to make timely payment.

- F.** In the event payment is not made when due, UPS reserves the right to suspend all services for the shipper, consignee and/or bill-to-party at its sole discretion and all amounts owed shall immediately become due and payable. Any payment which is past due shall be subject to an additional charge at the rate of 1.5% per month (or 18% per year) of the outstanding balance due, or the highest rate permitted by applicable law, whichever is less. In the event of any failure to make any payment when due or disputes involving monies owed to UPS, UPS will be entitled to all costs of collection, including reasonable attorney's fees.
- G.** Cash will not be accepted by UPS employees as a form of payment. UPS may apply payments made on an account, or credits due to an account, to any unpaid invoice at UPS's sole discretion.
- H.** Notwithstanding any billing plan that is in effect or payment or billing option selected at the time of shipment, the shipper is ultimately liable for and agrees to pay all charges, including in the event of insolvency, bankruptcy, non-payment or refusal to pay by the consignee or third party.

## **VII. PREPAID, COLLECT, OR THIRD-PARTY CHARGES**

- A.** Shipments will be accepted either with charges to be prepaid by the shipper ("bill to shipper"), collected from the consignee ("bill to consignee") or, when requested by shipper or the consignee, billed to a third party. (Bill to shipper, bill to consignee, or bill to third party are referred to collectively as "type of billing"). In all cases, either a valid nine-digit UPS Supply Chain Solutions account number or a valid six-character United Parcel Service, Inc. account number of the paying party shall be provided on the Air Waybill. If a discount or other applicable incentive is not applied to an invoice because the payer's account number was omitted on the Air Waybill, no adjustment will be allowed. When the form of payment is not marked on the Air Waybill, the shipment will be billed to the shipper. In all events, the shipper shall be liable for all unpaid charges payable on account of a shipment.
- B.** A processing fee (Missing/Invalid Account Number or Refusal Fee) will be charged for a missing or invalid account number when the account number, including the shipper's account number, is missing, the account number is not the correct account number for the bill-to party, the account number is for a consignee or third party who fails to pay the charges, or the shipment is shipped to an unauthorized consignee. In the event of non-payment by the consignee or third party, the shipper will be billed a refusal fee, plus the shipping charges.
- C.** Any charges paid by a shipper or consignee to an SCS Local Entity for services relating to either one or more Networks or other SCS Local Entities shall be remitted by that SCS Local Entity to the appropriate Network.

- D.** All requests for changes in type of billing after delivery shall be accompanied by a guarantee of payment by the new payer. An additional charge for this change will be assessed. Changes to type of billing will not be made if the change results in a reduction in original rates or charges. A payer rebilling fee will be assessed for each request to change the type of billing for a shipment.
- E.** The following shipments shall be paid in advance by the shipper or billed on an accepted major credit card before shipment, regardless of the type of billing selected on the Air Waybill:
  - 1. Shipments addressed to United States Government agencies, unless shipped on a Government Bill of Lading, or shipments addressed to an agency of any national government.
  - 2. Shipments addressed to any person and/or organization in care of another person and/or organization.
  - 3. Shipment with a commercial value less than the Transportation charges.
  - 4. Shipments of samples.
- F.** Charges for shipments paid for by a customer without a current account number must be billed to an accepted major credit card (with appropriate telephone authorization from the credit card company).

### **VIII. PICKUP AND DELIVERY SERVICE**

- A.** Pickup and/or delivery service will be provided during normal business hours on normal business days for the place of pickup or delivery (as the case may be).
- B.** Pick up and/or delivery service will not be provided to or from any address not directly accessible to vehicles or where it is impractical to operate a vehicle.
- C.** At buildings where UPS employees are not permitted access to floors above the ground floor:
  - 1. Shipments will be picked up only when tendered at the ground floor; and
  - 2. Shipments will be delivered to the person whose duty it is to receive property for the occupants of such buildings, or to the person having authority or apparent authority, which will constitute delivery to consignee.
- D.** Loading and unloading incidental to pickup and delivery service will ordinarily be performed by one person. Pickup and delivery service will not be provided for pieces which cannot be handled by one person unless advance arrangements have been made, including, where necessary, the furnishing of additional people and equipment by the shipper or consignee. The shipper and consignee shall indemnify, defend and hold UPS harmless from and against any and all claims, liabilities, fines,

- penalties, damages, costs or other sums (including attorneys' fees and costs) related to personal injury (including death) and/or property damage (including damage to the pieces) arising from or related to the acts or omissions of the people or equipment furnished by the shipper or the consignee for the loading or unloading incidental to pickup and delivery service.
- E.** When vehicles are held for loading or unloading in excess of 15 minutes, an additional charge will be assessed. Charges based on time will be computed by multiplying the hourly rate by the length of waiting time.
  - F.** Any pick up or delivery requested and made outside normal business hours on a normal business day for the place of pick up or delivery (as the case may be) will be subject to additional charges. For shipments tendered to UPS outside normal business hours on normal business days for the place of pickup, "next day," or "next business day" delivery means delivery during normal business hours on the day following the next normal business day for the place of delivery. If an earlier delivery date or time is requested, shipments are subject to advance arrangements and additional charges.
  - G.** If, at the customer's request, a vehicle other than a UPS vehicle does the pickup or delivery within certain pickup and delivery zones, a handling fee will be assessed, and UPS shall have no liability for the shipment during such pickup or delivery. In addition, the actual charges invoiced to UPS by the trucker will be re-billed to the payer of the shipment.
  - H.** Any pickup or delivery made outside normal business hours on normal business days for the place of pickup or delivery (as the case may be), will be subject to advance arrangements and additional charges. For shipments tendered to UPS outside normal business hours on normal business days for the place of pickup, "next day," or "next business day" delivery means delivery during normal business hours on the day following the next normal business day for the place of delivery. If an earlier delivery date or time is requested, shipments are subject to advance arrangements and additional charges.
  - I.** Pickup or delivery to or from a convention or tradeshow site will be assessed an additional charge in addition to all other applicable charges.
- IX. INSIDE DELIVERY UPS INSIDE PRECISION<sup>SM</sup> (FORMERLY, K-VAN SERVICE)**
- A.** At the request of the shipper, and subject to advance arrangements, UPS will handle all shipments requiring inside pickup, inside delivery, or related origin and destination services under UPS Inside Precision, and assess applicable charges. Shipments shall be registered by e-mail at [insideprecision@ups.com](mailto:insideprecision@ups.com), by facsimile at (913) 469-5660, or by telephone at (800) 455-4858, and accepted by UPS, prior to tendering shipments to UPS.

1. Shipments requiring inside pickup or other origin services shall be registered to UPS Inside Precision by 4:00 PM, local origin time, the business day prior to the date of pickup.
  2. Shipments requiring inside delivery, unpacking, and other destination services shall be registered by UPS Inside Precision, by no later than 4:00 PM, local destination time, the business day prior to the scheduled delivery.
  3. Shipments will be scheduled for delivery by 5:00 PM, Monday through Friday (excluding holidays) unless otherwise requested and accepted by UPS Inside Precision at the time of registration.
- B.** Unless otherwise requested and approved by UPS on or prior to the date of shipment, inside delivery services will include a crew of two workers equipped with material handling tools appropriate for the delivery, based on information provided by the shipper or consignee. Additional charges may apply for:
1. Equipment for ascending/descending stairs, floor coverings, climate control, cranes, rigging tools, fork lifts, and other nonstandard van equipment.
  2. Padded van and/or air ride transportation.
  3. Pick up and/or delivery for all shipments outside origin/destination city's greater metropolitan area.
  4. Inside pickup.
  5. Shipment preparation including packing, skidding, and crating.
  6. Assembly, disassembly, or installation.
  7. Shipments requiring more than a crew of two (2).
  8. Shipments requiring an extraordinary amount of time or resources due to the inherent nature of the product or conditions at the delivery site.
  9. Unpacking, uncrating, and similar services.
  10. Shipments with multiple pieces.
  11. Origin or destination services before 8:00 a.m. or after 5:00 p.m.; on non-business days or holidays; "at" a specific time; or during a time interval of less than four (4) hours.
- C.** Freight collect, and/or C.O.D. shipments will not be accepted.
- D.** Shipments will be placed, unpacked, de-skidded, and packing material debris will be removed and disposed of only if specifically requested at the time of registration. Additional charges may apply.

- E.** Liability for cargo damage or loss that occurs during shipment preparation, inside pickup, disassembly, packaging, skidding, crating, storage, inside delivery, unpacking, placement, assembly, installation or other non-transportation services provided by UPS shall be as set forth in Section XXI, Limitations of Liability.

## **X. PROOF OF DELIVERY**

Subject to availability, when requested by the shipper or consignee, UPS will furnish as proof of delivery a copy of the delivery record signed by the recipient. An additional charge per copy will be assessed for this service.

## **XI. DELIVERY ATTEMPT**

A shipment that cannot be delivered to the consignee on the first attempt of delivery will be returned to the UPS Service Center and the consignee (and the shipper, if required under applicable law) will be notified. Subsequent attempts to deliver will be made only upon request of the consignee, and an additional charge will be assessed.

## **XII. CUSTOMS CLEARANCE**

- A.** All shipments that cross international borders must be cleared through Customs in the destination country prior to delivery to the consignee.
- B.** Customs clearance is the responsibility of the shipper and/or consignee, and arrangements can be made by UPS Supply Chain Solutions upon request.
- C.** UPS will, upon request and automatically for shipments inbound to the United States and cleared at Louisville, Kentucky with a declared Customs value under \$25,000, or cleared elsewhere in the United States with a declared Customs value under \$10,000, submit international shipments inbound to the U.S. to Customs and/or other regulatory agencies for clearance in its capacity as a customs broker, except as provided in Subsection F, below, or where the shipper or consignee has specified a broker other than UPS, and subject to certain additional exceptions (available by contacting UPS, and for example, regulations of the FTC or FDA, quota, visa, government contract entries, temporary import bonds, U.S. goods returned). In its capacity as customs broker or if UPS elects to act as importer of record in respect of a shipment, UPS may advance duties and taxes on behalf of the shipper and consignee provided appropriate credit arrangements have been made in advance (an additional fee will apply). In all instances when UPS provides customs brokerage services in the United States or Canada, the services are subject to and provided in accordance with the UPS Supply Chain Solutions, Inc. Terms and Conditions for brokerage services in the United States and Canada in effect at the time of the services, the terms of which are incorporated herein by this reference, and which are available on request or at [www.ups-scs.com](http://www.ups-scs.com).
- D.** When shipments are held by Customs or other agencies due to incorrect or missing documentation, or other failure to comply with applicable requirements UPS will attempt to first notify the consignee. If local law requires the correct information or documentation to be submitted by the consignee and the consignee fails to do so

within a reasonable time as UPS may determine, the shipment will be considered undeliverable. If the consignee fails to provide the required information or documentation and local law allows the sender to provide the same, UPS will attempt to notify the sender. If the sender also fails to provide the information or documentation within a reasonable time as UPS may determine, the shipment will be considered undeliverable. (See XXX, Shipments Subject to Delay)

- E.** Shipments requiring documentation in addition to the Air Waybill (including, but not limited to a commercial invoice, shipper's letter of instruction (SLI), packing list, certificate of origin, import/export permit and any documents required to perform customs clearance formalities) may require additional transit time. Proper completion of necessary documentation and accurate commodity descriptions are the responsibility of the shipper.
- F.** All non-document shipments to Anguilla, Antigua, Martinique, Montserrat, St. Kitts and Nevis, regardless of value, shall be cleared through Customs by the consignee. All non-document shipments to St. Vincent, Uruguay and Grenada valued over \$50; to Argentina valued over \$100; and to Brazil and Chile valued over \$500, shall be cleared through Customs by the consignee. In these cases, Customs paperwork will be delivered to the consignee. In this instance, delivery of paperwork constitutes shipment delivery.
- G.** U.S. CBP regulations require the IRS Employer Identification Number (EIN) or, if an individual, the Social Security Number (SSN) of the U.S. consignee for certain shipments being imported into the United States. **THIS INFORMATION MUST BE INCLUDED ON THE INTERNATIONAL AIR WAYBILL AND COMMERCIAL INVOICE ON ALL INBOUND SHIPMENTS.** The EIN or SSN must be on file with the U.S. Customs Service. Any changes to a company name, address, or the EIN/SSN should be provided to UPS for system updating.
  - 1. This U.S. CBP requirement applies to shipments with a declared value for Customs of \$2,000 or more and for the following commodities regardless of value: textiles or textile products, leather or leather products, or goods that are restricted or controlled requiring a formal entry by the U.S. CBP.
  - 2. Shipments scheduled for delivery that do not have the correct EIN or SSN may be detained until that information can be obtained from the consignee or otherwise determined, and UPS shall have no liability arising there from.
- H.** For each and every shipment, shipper represents, warrants, and certifies that all statements and information contained in the documentation provided to UPS relating to importation and exportation are true, complete, and correct. In addition, shipper understands that civil and criminal penalties may be imposed for making incorrect, false or fraudulent statements, or for the violation of any laws or regulations on importation or exportation. Shipper is solely responsible for determining any import or export license requirements and for obtaining any export

or import license or other official authorization. UPS’s liability for negligent acts or omissions is limited as set forth in the Section XXI, Limitations of Liability.

**XIII. DANGEROUS GOODS**

- A.** “Dangerous Goods” means those commodities that are imported, exported or otherwise transported in accordance with the provisions set forth in one or more of the following:
  1. Title 49 of the U.S. Code of Federal Regulations (“CFR”). The only Dangerous Goods accepted for air transport under 49 CFR are ORM-D (Consumer Commodities), and only for transportation within and between the United States and Puerto Rico.
  2. The “Dangerous Goods Regulations” published by IATA.
  3. The “Technical Instructions for the Safe Transport of Dangerous Goods by Air” published by the International Civil Aviation Organization (“ICAO”).
  4. Other mandatory applicable law.
  
- B.** For shipments in North America, Dangerous Goods are accepted only for Charter and Surface transportation, any exceptions will be made at the sole discretion of UPS Express Critical. An additional charge for all Dangerous Goods shipments will be assessed, in addition to all other applicable charges.
  
- C.** For shipments moving from points in the United States, Canada, and Puerto Rico to points in third countries, shipments of Dangerous Goods are only accepted at the sole discretion of UPS Express Critical.
  
- D.** For all other shipments between points not specified in Subsections B or C, above, service availability and charges for handling and transporting Dangerous Goods may vary and will only be accepted at the sole discretion of UPS Express Critical.
  
- E.** UPS Express Critical accepts the following Dangerous Goods:

<b>ICAO/IATA HAZARD NAME AND CLASS</b>	<b>STATUS</b>
Explosives (1.1,1.2,1.3,1.4F,1.5,1.6)	<b>NO</b>
Explosives 1.4*	<b>YES</b>
Flammable Gas (2.1)	<b>YES</b>
Non-Flammable Gas (2.2)	<b>YES</b>
Poisonous Gas (2.3)	<b>NO</b>
Flammable Liquid (3)	<b>YES</b>
Flammable Solid (4.1)***	<b>YES</b>
Spontaneously combustible (4.2)	<b>YES</b>



<b>ICAO/IATA HAZARD NAME AND CLASS</b>	<b>STATUS</b>
Dangerous When Wet (4.3)	<b>YES</b>
Oxidizers (5.1)***	<b>YES</b>
Organic Peroxides (5.2)***	<b>YES</b>
Toxic Substances (Packing Group I, II and III)	<b>YES</b>
Toxic Substances in Packing Group I Based on Vapor Inhalation	<b>NO</b>
Infectious Substance (6.2) (Category A)	<b>NO</b>
Infectious Substances (6.2) (Biological Substances, Category B)	<b>YES</b>
Radioactive I, II, III (7)	<b>YES</b>
Corrosive (8)	<b>YES</b>
Miscellaneous (9)**	<b>YES</b>

\* UPS Express Critical will only transport explosive articles that are exempted in accordance with 27 C.F.R. 555.141.

\*\*UPS will not accept shipments of UN3090 or UN3480 prepared in accordance with Section II of IATA Packing Instructions 968 or 965. UN3090 and UN3480 shipments must be tendered in accordance with either Section IA or Section IB of the applicable Packing Instruction.

\*\*\*Dangerous Goods requiring or displaying the “KEEP AWAY FROM HEAT” label (see IATA 7.4.6, Figure 7.4.F) and/or are assigned to IATA SP A136 are prohibited.

- F.** If the shipment contains Dangerous Goods, as defined in these Terms, the shipper shall have the sole obligation and responsibility to so state on the shipping documents such as the Air Waybill and to report Dangerous Goods verbally when placing the order with UPS Express Critical. Failure to do so may result in order cancellation and or shipment delays. The shipper shall comply with all IATA and DOT 49 CFR regulations for shipments of Dangerous Goods, and any and all applicable law. If required by applicable regulations, the shipper shall also submit a signed shipper’s Declaration for Dangerous Goods and all other relevant documents for the shipment of Dangerous Goods.
- G.** If the commodity being shipped is not Dangerous Goods, but could be confused as such, the shipper shall place the words “NOT RESTRICTED” on the Air Waybill to indicate that the shipper has reviewed the shipment against the appropriate regulations and determined that the shipment does not qualify as Dangerous Goods, and otherwise complies with all applicable regulations. Failure to do so may result in shipment delays or cancellations. Marking shipment documentation with “NOT RESTRICTED” does not guarantee such shipments will be accepted by a commercial airline. Acceptance or refusal of any shipment that might be confused with dangerous goods is subject to the airline’s sole discretion
- H.** If UPS Express Critical inadvertently accepts any Hazardous Materials contrary to the Terms and Conditions set forth herein, UPS will not be liable for damages or penalties associated with such acceptance, and shipper will defend, indemnify, protect and hold UPS harmless from any and all penalties, claims, damages of any

kind, lawsuits and expenses (including, but not limited to, attorneys fees), arising out of such erroneous acceptance.

#### **XIV. GUARANTEED SERVICE**

- A.** UPS guarantees on-schedule delivery of shipments shipped via UPS Express Critical where such respective services are available (“Guaranteed Service”). Guaranteed Service does not apply to UPS Inside Precision<sup>SM</sup> (formerly, K-Van Service), Secure Services or high value services, Charters, Hand Carry or other value-added or specialized services. Information on availability and description of Guaranteed Service delivery times, designation of pickup and delivery locations, and applicable rates and charges, can be found at [www.ups-scs.com](http://www.ups-scs.com), is available upon request, and is subject to change without prior notice. Guaranteed Service may be suspended, cancelled, modified or revoked for any service(s) and for any period of time as determined by UPS in its sole and unlimited discretion without prior notice. “On-time” or “on-schedule” means, subject to the terms of this section, delivery is attempted within 60 seconds of quoted delivery time. If a shipper selects a service to a destination or ZIP/postal code for which the requested service is not available, UPS will attempt to provide the service requested. In such case, the service will not be guaranteed and may incur additional charges. UPS also reserves the right to change guaranteed delivery date and/or time for any service(s) at any time prior to tender.
- B.** The following shipments are not eligible for Guaranteed Service:
1. Residential pickup or delivery.
  2. Shipments containing Dangerous Goods or Dry Ice.
- C.** In the event UPS fails to attempt delivery within the quoted time (and provided a claim is filed pursuant to Subsection I, Guaranteed Service Claim Requirements), UPS at its option will either credit, refund or reduce the Transportation charges, as defined below, for such shipment to the payer only, upon request and subject to the conditions set forth in this section. This is the sole and exclusive remedy available under the Guaranteed Service and Guaranteed Service does not constitute any form of undertaking or representation for any other purpose that the shipment will arrive by any particular time.
- D.** “Transportation charges” means the amounts assessed for the movement of a shipment and does not include any other fees or charges which may be assessed including, but not limited to, all applicable accessorial charges, special or additional handling fees, customs duties and taxes, Declared Value charges, surcharges (including fuel surcharges) and late payment fees.
- E.** Under no circumstances shall UPS be liable for loss of merchantability, or any special, incidental or consequential damages, including, but not limited to, damages arising from delayed delivery or failure to attempt delivery in accordance with Guaranteed Service, loss of profits or loss of income, whether or not UPS had

knowledge that such damages might be incurred. UPS shall not be liable for any damages whatsoever for delayed delivery, except as specifically provided for shipments made under Guaranteed Service.

- F.** Only one refund or credit is permitted per shipment. In the case of multiple-piece Guaranteed Service shipments, the guarantee will apply to every piece in the shipment. If a piece within a multiple-piece shipment is delayed, a refund or credit will be given only for the portion (or proportionate amount) of the Transportation charges applicable to that adversely affected piece. Credits for Transportation charges will be applied to the payer's account only, and refunds will be made payable to the payer only.
- G.** Shipments must be tendered to UPS within pick-up time indicated during shipment booking.
- H.** The guarantee does not apply to shipments that are delayed due in whole or in part to:
  - 1. The act, default or omission of the shipper, consignee or any other party claiming an interest in the shipment, including delivery instructions from the shipper or consignee with which UPS attempted to, or did, comply.
  - 2. The nature of the shipment, defect, or inherent vice of the contents.
  - 3. Failure of the shipper or consignee to observe any term contained in these Terms, including, but not limited to, improper or insufficient packaging, securing, addressing or marking of any shipment, omission of, or provision of, an incorrect consignee address or ZIP/postal code on the Air Waybill, or providing insufficient information.
  - 4. Acts of God, weather conditions, environmental or dangerous goods incidents, perils of the air, public enemies, public authorities acting with actual or apparent authority, application of security regulations imposed by a government or otherwise applicable to the shipment, acts or omissions of customs officials, authority of law, quarantine, riots, strikes, work stoppages or slowdowns, or other labor disputes or disturbances, civil commotions or hazards incident to a state of war, local or national disruptions in ground or air transportation networks or systems due to events beyond UPS's control, disruption or failure of communication and information systems, disruption or failure of utilities, or any circumstances beyond UPS's control.
  - 5. Mechanical delay of aircraft or other equipment failures.
  - 6. Acts or omissions of any person other than UPS.
  - 7. Compliance with laws, government regulations or requirements, or any cause beyond UPS's control.

8. Customs or other regulatory agency delays.
9. For international and domestic next-flight-out service, the quoted delivery time may be changed for many reasons, including, but not limited to, the following: flight delays or cancellations due to air traffic control, TSA, weather or mechanical problems. If the delivery commitment time is changed, the Guaranteed Service will only be applicable to the latest quoted delivery time.

#### **I. Guaranteed Service Claim Requirements**

1. All Guaranteed Service claims must be received in writing or by telephone by UPS within 15 calendar days after the date of acceptance of the Guaranteed Service shipment. For Guaranteed Service shipments within the United States, or between the United States and Canada or Puerto Rico, contact UPS at 1-800-714-8779, or the local UPS Supply Chain Solutions office for information regarding where to file a claim. For all other shipments, contact the local UPS Supply Chain Solutions office.
2. All Guaranteed Service claims must include (1) description of, and amount of, the refund requested; and (2) if available, reference to the UPS invoice number to which the claim pertains and check number and name of payor on the check, if payment was made by check.
3. No action arising under the Guarantee Service remedy for domestic Guaranteed Service shipments may be maintained against UPS unless (1) claimant strictly complies with all requirements of this Subsection I; and (2) claimant commences the action within one (1) year from the date of acceptance of the Guaranteed Service shipment by UPS, unless otherwise required by federal, state, or other applicable law, rule or regulation applicable to the Guaranteed Service shipment.
4. No action arising under the Guarantee Service remedy for international Guaranteed Service shipments may be maintained against UPS unless (1) claimant strictly complies with all requirements of this Subsection I; and (2) claimant commences the action within two (2) years from date of arrival of the Guaranteed Service shipment at destination or from the date the Guaranteed Service shipment should have arrived or from the date on which carriage stopped, unless otherwise provided by any mandatory applicable law.
5. Any and all claims not arising from cargo loss, delay or damage during periods of UPS carriage or bailee liability, including but not limited to, any liabilities for importation, exportation, clearance services/filings, and all other non-carrier services such as brokering, packing, loading and consolidation, and always including any liability for any fines or penalty, shall be delivered in writing to the addresses in Section XVII Claims Procedure B.1 below within ninety (90) days of the event giving rise to the claim, or such claims are

otherwise waived. No action for such claims may be maintained against UPS unless (1) claimant strictly complies with all requirements of this Subsection and (2) claimant commences the action within one (1) year from the date of the earlier of the loss, occurrence, fine or penalty, or preparation/submission of the entry or filing, unless otherwise required by federal, state, or applicable law, rule or regulation applicable to the shipment.

## **XV. CONVENTION RULES AND OTHER MANDATORY LAW**

- A.** Where carriage by air involves an ultimate destination or stop outside the country of origin, the Warsaw Convention may apply. The Warsaw Convention governs and in most cases limits the liability of carriers in respect of loss of or damage or delay to cargo.
- B.** Notwithstanding any clause to the contrary contained in these Terms, international carriage by road may be subject to the CMR Convention.
- C.** Where the Warsaw or CMR Conventions or any national laws implementing or adopting these conventions apply (for convenience referred to as Convention Rules) or where (and to the extent that) other mandatory law applies, the liability of UPS is governed by and will be limited according to the applicable rules, and the provisions of these Terms shall apply only to the extent not inconsistent with such rules.
- D.** Where Convention Rules or other mandatory laws do not apply, UPS's liability will be governed exclusively by these Terms.

## **XVI. LIABILITY OF UPS**

- A.** UPS MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES.
- B.** Except for failure to attempt delivery in accordance with Section XIV (Guaranteed Service), and then only in respect of the remedy afforded by Section XIV, UPS will not be liable for misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee instructions or failure to collect or properly deliver a payment instrument), non-delivery, missed pickup, delay, loss or damage or in respect of any fines, penalties or other expenses, unless caused by UPS's sole negligence and UPS's liability shall be limited in any event pursuant to Section XXI (Limitations of Liability). UPS will not be liable for any loss of or damage or delay to any shipment that occurs before UPS has accepted and taken possession of the shipment, or after delivery.
- C.** Without limiting the generality of Subsection B, UPS shall not be liable for any loss or damage, misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee instructions or failure to collect or properly deliver a payment instrument), non-delivery, missed pickup, penalties, expenses, or delay, caused in whole or in part by:

1. The act, default, or omission of the shipper, consignee, of any other party claiming an interest in the shipment.
2. The nature of the shipment, defect, or inherent vice of the product, including but not limited to loss or damage to perishable or temperature sensitive items, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the product.
3. Failure of the shipper or consignee to observe any requirements or obligations contained in these Terms, including, but not limited to, improper or insufficient packaging, securing, addressing or marking of any shipment.
4. Acts of God, weather conditions, environmental or dangerous goods incidents, perils of the air, public enemies, public authorities acting with actual or apparent authority, acts or omissions of custom officials, authority of law, quarantine, riots, strikes, work stoppages or slowdowns, or other labor disputes or disturbances, local or national disruptions in ground or air transportation networks or systems due to events beyond UPS's control, disruption or failure of communication and information systems, disruption or failure of utilities, civil commotions or hazards incident to a state of war, acts of assailing thieves, hijackings, mechanical delay of aircraft or other equipment failures and any circumstances beyond UPS's control.
5. Acts or omissions of any person other than UPS, including delivery instructions from the shipper or consignee with which UPS attempted to, or did, comply;
6. Compliance with laws, governmental regulations or requirements, or any cause beyond UPS's control.
7. UPS shall not be liable for any loss or damage, misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee instructions or failure to collect or properly deliver a payment instrument), non-delivery, missed pickup, penalties, expenses, or delay of any shipment containing any articles that shippers are prohibited from shipping, that UPS does not or is not authorized to accept for transportation, that UPS states it will not accept, or that UPS has a right to refuse.
8. Except for eligible Guaranteed Service shipments, and then only for the purpose of any credit or refund of the Transportation Charges (see Section XVII, Claims Procedure), UPS does not guarantee that delivery will be attempted by any specific time or date and shall not be liable for delay or any other failure to meet an agreed-upon delivery deadline. In no event shall UPS be liable for loss of merchantability or any special, incidental or consequential damages due to misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee

instructions or failure to collect or properly deliver a payment instrument), non-delivery, missed pickup, delay, loss or damage whether or not UPS had knowledge that such damages might be incurred. In the event that notwithstanding the foregoing UPS is nevertheless for any reason held liable for delay, loss of merchantability, or any special, incidental or consequential damages, such liability shall also be subject to the same applicable liability limitation for loss or damage (see Section XXI, Limitations of Liability).

9. Shipper and consignee are responsible for, and warrant their compliance with, all applicable laws, rules and regulations, including, but not limited to, customs laws, import and export laws, and government regulations of any country to, from, through or over which its shipment may be carried. Shipper and/or consignee agree to furnish such information and complete and attach to the Air Waybill such documents as are necessary to comply with such laws, rules and regulations. UPS assumes no liability to shipper, consignee or any other person for any loss or expense due to shipper's or consignee's failure to comply with this provision.
10. UPS's liability for damages including, but not limited to, those damages arising from or related to misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee instructions or failure to collect or properly deliver a payment instrument), non-delivery, missed pickup, delay, loss or damage, shall in no event exceed that set forth in the Limitations of Liability (see Section XXI) provisions contained in these Terms.
11. IN NO EVENT SHALL UPS BE LIABLE FOR LOSS OF MERCHANTABILITY OR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS OR INCOME, WHETHER OR NOT UPS HAD KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED, AND WHETHER PLEADED UNDER TORT, CONTRACT OR ANY OTHER LEGAL THEORY. To the extent not prohibited by law, this exclusion applies to damages of any kind, including, but not limited to, property damage, whether or not related to the goods being transported.
12. UPS shall not be liable for loss of, damage to, or irretrievability of data stored on media of any type, or for loss of information, including without limitation personal, health or financial information.

## **XVII. CLAIMS PROCEDURE; INDIVIDUAL BINDING ARBITRATION OF CLAIMS**

- A. Except to the extent that Convention Rules or other applicable mandatory laws apply and provide otherwise, all claims against UPS arising from or related to the provision of UPS Express Critical including, but not limited to, demands for damages, refunds, credits, and any legal or equitable relief whatsoever, shall be

extinguished unless the shipper or claimant (1) timely and completely complies with all applicable notice and claims requirements and periods set forth in these Terms, including as to claims for loss or damage to property, Guaranteed Service claims or claims for invoice adjustments; and (2) pleads on the face of any complaint filed against UPS satisfaction and compliance with those notice and claims requirements and periods as a contractual condition precedent to recovery. To the extent that Convention Rules or other applicable mandatory law apply and impose notice or claims requirements or periods which are either not addressed in or are inconsistent with these Terms, those requirements and periods shall apply.

## **B. Loss and Damage Claim Requirements.**

1. Claims for loss or damage shall be delivered to following address:

**For United States and Canada:**

UPS Cargo Claims  
35 Glenlake Parkway NE  
Suite 320  
Atlanta, Georgia 30328

**For all other locations:**

**Refer to our website at: <http://forwarding.ups-scs.com/documentcenter/CargoClaimsForm.asp>**

UPS Supply Chain Solutions Cargo Claims (Contact the UPS local office address)

2. All claims for loss or damage shall be made in writing and received by UPS within 60 calendar days of the date of acceptance of the shipment by UPS. For purposes of this Section XVII(B), pursuant to 49 U.S.C. § 14101(b), shipper expressly waives its rights under 49 U.S.C. § 14706(e).
3. All claims shall include:
  - a. copy of the Air Waybill or shipping manifest;
  - b. copy of the commercial invoice and packing list;
  - c. a description of the goods;
  - d. a description and details of the nature/extent of the damage or loss; and
  - e. the amount of the claim.
4. All liability under the claims procedures set forth in these Terms (including Guaranteed Service) shall be the responsibility of the Originating Network.
5. No loss or damage claim will be processed until all Transportation charges have been paid. Claimants may not deduct the amounts of pending claims



from any charges owed to UPS, and the shipper waives any and all rights, including any statutory or common law rights, to set off the amount of any claim against charges owed to UPS.

6. If a claim is made for damage to a shipment, all contents and packaging materials shall be retained in the original shipping container, in the same condition as when the loss or damage was discovered, until inspected by UPS.
7. Notice Requirement for Concealed Loss or Damage Claims
  - a. For shipments within the United States and Canada, or between the United States and Canada, loss or damage to contents of a shipping container, which could not have been noted at the time of delivery, must be reported to UPS Supply Chain Solutions in writing to the applicable address in Subsection B.1 above within 14 calendar days from date of delivery. A request for inspection should be made at that time. All contents shall be retained in the original shipping container, in the same condition it was in when damage was discovered, until inspection by UPS.
  - b. For international shipments, loss or damage to contents of a shipping container, which could not have been noted at the time of delivery, must be reported in writing to the applicable address in Subsection B.1 above within 14 calendar days from the date of delivery. A request for inspection must be made at that time. All merchandise must be retained in the original shipping container, in the same condition it was in when damage was discovered, until inspected by UPS.
8. No action for loss or damage arising from a shipment may be maintained against UPS unless (1) claimant strictly complies with all requirements of this Subsection B; and (2) claimant commences the action within one (1) year from the date of acceptance of the shipment by UPS or such longer time only to the extent mandated by force of law.
9. When UPS pays the actual cost, the purchase price, or the replacement cost of the property, all rights, title to, and interest in the property shall thereupon pass to UPS, and UPS reserves the right to obtain the property for salvage and it will be picked up at UPS's sole discretion.
10. For information on claim procedures for shipments within the United States or within Canada, or between the United States and Canada, contact 1-800-443-6379, or <http://forwarding.ups-scs.com/documentcenter/CargoClaimsForm.asp>. For all other shipments, contact the local UPS Supply Chain Solutions office.
11. All claims for loss or damage are subject to proof of value. UPS's liability, if any, for loss or damage, is limited in accordance with the provisions of Section XXI (Limitations of Liability).

12. Receipt of shipment by the consignee or the consignee's agent without written notification of damage or loss on the delivery receipt and/or delivery manifest will be prima facie evidence that the shipment was delivered in good condition.

**C. Cargo Insurance Claim Requirements.** For claims filed pursuant to Cargo Insurance, see Section XXII (Cargo Insurance).

**D. Invoice Adjustments Claim Requirements.**

1. For purposes of this Subsection XVII(D), pursuant to 49 U.S.C. §14101(b), shipper expressly waives its rights under 49 U.S.C. §§ 13710(a)(3)(B) and 14705(b).
2. Claims for invoice adjustments (e.g., adjustment of charges based on incorrect rate, billable weight, overcharges, type of service, etc.) shall be made in writing and delivered within 60 calendar days of date of shipment to the following addresses:

**For United States and Canada:**

Auditing Department  
UPS Express Critical  
10881 Lowell  
Suite 220  
Overland Park, KS 66210

**For all other locations:** Contact the UPS local office.

3. No action for overcharges or invoice adjustments may be maintained against UPS unless (1) claimant strictly complies with all requirements of this Subsection D; and (2) claimant commences the action within one (1) year from the date of acceptance of the shipment by UPS unless otherwise required by federal, state or applicable law, rule or regulation applicable to the shipment.

**E. Guaranteed Service Claims.** For claims filed pursuant to UPS's Guaranteed Service, see Section XIV.

**F. Arbitration of Claims.**

1. "Claimant" is the person asserting the claim or seeking recourse arising out of or related to the provision of services by UPS.
2. Agreement to Arbitrate Claims.
  - a. **Claimant and UPS agree that, except for disputes that qualify for state courts of limited jurisdiction (such as small claims, justice of the peace,**

**magistrate court, and similar courts with monetary limits on their jurisdictions over civil disputes), any controversy or claim, whether at law or equity, arising out of or related to the provision of services by UPS, regardless of the date of accrual of such dispute, shall be resolved in its entirety by individual (not class-wide nor collective) binding arbitration.**

- b. Arbitration is the submission of a dispute to a neutral arbitrator, instead of a judge or jury, for a final and binding decision, known as an “award.” Arbitration provides for more limited discovery than in court, and is subject to limited review by courts. Each party has an opportunity to present evidence to the arbitrator in writing or through witnesses. An arbitrator can only award the same damages and relief that a court can award under the law and must honor the terms and conditions in these Terms.
- c. Claimant and UPS agree that their sole relationship is a contractual one governed by these Terms. Any controversy or claim arising out of or related to the provision of services by UPS shall be resolved solely based on the agreements set forth in these Terms.

3. Institutional Arbitration.

- a. The arbitration shall be conducted by the American Arbitration Association (AAA) in accordance with its Commercial Arbitration Rules and the Supplementary Procedures for Consumer-Related Disputes (the “Rules”), and judgment on the award may be entered in any court of competent jurisdiction. The Rules, including instructions for how to initiate arbitration, are available at <http://www.adr.org> or by calling the AAA at 1-800-778-7879. The arbitrator shall decide all issues of the case on the basis of the applicable law, not equity. If you initiate arbitration, you must serve UPS’s registered agent for service of process, Corporation Service Company, which has locations in every state. Information also can be found on the website of your local Secretary of State.
- b. **Any arbitration under this Agreement will take place on an individual basis; class, mass, consolidated or combined actions or arbitrations or proceeding as a private attorney general are not permitted. Claimant and UPS are each waiving the right to trial by jury. Claimants and UPS are further giving up the ability to participate in a class, mass, consolidated or combined action or arbitration.**

4. Place of Arbitration/Number of Arbitrators/Costs of Arbitration/Governing Law/Survival.

- a. Any arbitration will take place in the county where Claimant resides and will be determined by a single arbitrator.
- b. Any filing fee or administrative fee required of Claimant by the AAA Rules shall be paid by Claimant to the extent such fee does not exceed the amount of

the fee required to commence a similar action in a court that otherwise would have jurisdiction. For all non-frivolous complaints, UPS will pay the amount of such fee in excess of that amount. Each party will bear its own attorney fees and expenses of arbitration.

- c. All issues are for the arbitrator to decide, except that issues relating to the scope, application, and enforceability of the arbitration provision are for a court to decide. The Federal Arbitration Act governs the interpretation and enforcement of this provision. This agreement to arbitrate shall survive termination of these Terms.
5. **Severability.** Notwithstanding anything to the contrary in the AAA Rules, if any part of this arbitration provision is deemed invalid or ineffective for any reason, this shall not affect the validity or enforceability of the remainder of this arbitration provision, and the arbitrator shall have the authority to amend any provisions deemed invalid or ineffective to make the same valid and enforceable.
6. **Desk Arbitration.** For all disputes concerning an amount less than fifteen thousand dollars (\$15,000.00), the parties shall submit their arguments and evidence to the arbitrator in writing and the arbitrator shall make an award based only on the documents; no hearing will be held. For a dispute governed by the AAA Consumer-Related Disputes Supplementary Procedures, and concerning an award between fifteen thousand dollars (\$15,000.00) and fifty thousand dollars (\$50,000.00), inclusive, UPS shall pay Claimant's filing fee under the AAA Rules, provided that Claimant agrees that both parties shall submit their arguments and evidence to the arbitrator in writing and that the arbitrator shall make an award based only on the documents, without a hearing being held. Notwithstanding this provision, the parties may agree to proceed with desk arbitration at any time.
7. **Access to Small Claims Courts.** All parties shall retain the right to seek adjudication in a state court of limited jurisdiction, such as small claims, justice of the peace, magistrate court, and similar courts with monetary limits on their jurisdiction over civil disputes, for individual disputes within the scope of such court's jurisdiction.
8. **Acknowledgements.** Claimant and UPS acknowledge and agree that pursuant to these Terms:

-CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A TRIAL BY JURY TO RESOLVE ANY DISPUTE ALLEGED AGAINST CLAIMANT, UPS OR RELATED THIRD PARTIES;

-CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A COURT, OTHER THAN A STATE COURT OF LIMITED JURISDICTION AS DEFINED ABOVE, RESOLVE ANY DISPUTE ALLEGED AGAINST CLAIMANT, UPS OR RELATED THIRD PARTIES;

-CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO HAVE A COURT REVIEW ANY DECISION OR AWARD OF AN ARBITRATOR, WHETHER INTERIM OR FINAL, EXCEPT FOR APPEALS BASED ON THOSE GROUNDS FOR VACATUR EXPRESSLY SET FORTH IN SECTION 10 OF THE FEDERAL ARBITRATION ACT.

-CLAIMANT AND UPS AGREE THAT WE ARE WAIVING THE RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, JOIN AS A CLASS MEMBER, AND/OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS IN ANY CLASS, MASS, CONSOLIDATED OR COMBINED ACTION OR ARBITRATION FILED AGAINST CLAIMANT, UPS AND/OR RELATED THIRD PARTIES.

9. Award. The arbitrator may award money or equitable relief in favor of only the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. Similarly, an arbitration award and any judgment confirming it apply only to that specific case; it cannot be used in any other case except to enforce the award itself. To reduce the time and expense of the arbitration, the arbitrator will not provide a statement of reasons for his or her award unless requested to do so by all parties. Unless both Claimant and UPS agree otherwise, the arbitrator may not consolidate more than one person's claims, and may not otherwise preside over any form of a representative, private attorney general or class proceeding.
10. Confidentiality of Arbitration. Notwithstanding anything to the contrary in the AAA Rules, UPS and Claimant agree that the filing of arbitration, the arbitration proceeding, any documents exchanged or produced during the arbitration proceeding, any briefs or other documents prepared for the arbitration, and the arbitral award shall all be kept fully confidential and shall not be disclosed to any other party, except to the extent necessary to enforce this arbitration provision, arbitral award or other rights of the parties, or as required by law or court order.

## **XVIII. LIABILITY FOR CHARGES**

The shipper and consignee shall be liable, jointly and severally, for all charges payable on account of any shipment, including, but not limited to, Transportation charges and all duties, customs assessments, governmental penalties and fines, taxes and UPS's attorneys' fees and legal costs related to the shipment, and such other sums advanced or disbursed by UPS on account of such shipment.

## **XIX. INDEMNIFICATION**

The shipper and consignee shall be liable, jointly and severally, to pay or indemnify, protect, defend and hold UPS harmless from and against any and all claims, liabilities, fines, penalties, damages, costs or other sums (including attorneys' fees and costs) that may be incurred, suffered or disbursed for any violation of any of these Terms or any other default of the shipper, consignee or such other party with respect to a shipment.

## **XX. LIENS ON SHIPMENTS**

UPS shall have a general and continuing lien on any and all property coming into the actual or constructive possession of UPS for monies owed to UPS with regard to the shipment for which the lien is claimed, a prior shipment, or both, for all sums due and payable. In the event of non-payment of any sum payable to UPS, the shipment may be held by UPS and disposed of at public or private sale, in satisfaction of all sums due and payable, including storage charges, and with no further liability to UPS. If the proceeds of the sale are not sufficient to satisfy UPS's lien for all sums due and payable, the shipper and consignee remain liable for the balance of any unpaid charges payable on account of the shipment. The rights provided by this section shall be in addition to all other rights allowed by law to UPS to recover unpaid amounts.

## **XXI. LIMITATIONS OF LIABILITY**

- A.** All limitations of liability shall be calculated using actual weight of the shipment. UPS's liability shall at no time exceed the actual value of the goods lost or damaged, and it is the shipper's responsibility to prove actual damages. The limitations of liability contained in these Terms apply to all services, and limit UPS's liability for damages, including, but not limited to, damages arising from or related to loss of, or damage to cargo, misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee instructions, or failure to collect or properly deliver a payment instrument), non-delivery, or missed pickup.
- B.** No employee, agent, subcontractor, or representative of UPS, other than an officer of UPS may waive or alter any of the limitations set forth in these Terms and any such waiver or alteration shall be in writing and signed by an officer of UPS.
- C.** Except as otherwise provided in these Terms, UPS's liability for all damages (including, but not limited to, loss or damage to cargo occurring during motor carriage within the United States) shall be limited to the higher of \$50.00 per shipment or \$0.50 per pound (\$1.10 per kilogram) of that part of the cargo adversely affected thereby, plus Transportation charges applicable to that part of the shipment adversely affected thereby, unless at the time of shipment the shipper makes a declaration of value for carriage in the space designated on the Air Waybill and pays the appropriate valuation charge, in which event UPS's liability shall not exceed such higher declared value. (Declared value is subject to maximum allowable limits and applicable local law restrictions (see Section XXI(G)). For shipments with an origin or destination outside the United States, Canada, Mexico, or Puerto Rico, only Cargo Insurance is available. (See Section XXII, Cargo Insurance).
- D.** UPS's liability for loss or damage to international shipments transported by air shall be limited to 19 Special Drawing Rights ("SDR") per kilogram of that part of the cargo adversely affected thereby, plus Transportation charges applicable to that part of the shipment adversely affected thereby, unless at the time of shipment

the shipper makes a declaration of value for carriage in the space designated on the Air Waybill and pays the appropriate valuation charge, in which event UPS's liability shall not exceed such higher declared value. For current SDR valuation, see <http://www.imf.org>. (Declared value is subject to maximum allowable limits and applicable local law restrictions (see Section XXI(G)). For shipments with an origin or destination outside the United States, Canada, Mexico, or Puerto Rico, Cargo Insurance is available. (See Section XXII, Cargo Insurance).

- E.** For losses occurring in Mexico to shipments transported solely by ground and not as part of an air transportation movement, UPS's liability for damages on shipments shall not exceed ten cents (\$0.10) per pound (\$0.22 cents per kilogram) of that part of the cargo adversely affected thereby plus Transportation charges applicable to that part of the shipment adversely affected thereby unless, at the time of shipment, the shipper makes a declaration of value for carriage in the space designated on the Air Waybill and pays the appropriate valuation charge in which event UPS's liability shall not exceed such higher declared value. (Declared value is subject to maximum allowable limits and applicable local law restrictions (see Section XXI(G)). For shipments with an origin or destination outside the United States, Canada, Mexico, or Puerto Rico, Cargo Insurance is available. (See Section XXII, Cargo Insurance).

**F. Declared Value; Declared Value Charges**

1. The shipper acknowledges that he or she has been given the opportunity to declare a value in excess of the applicable liability limits where permitted by applicable law. When a declaration of value for carriage is made, the value per pound or per kilogram for calculating declared value liability shall be determined by dividing the shipper's declared value for carriage by the actual weight of the shipment. Liability shall in no event exceed the lesser of the declared value of the shipment, plus applicable Transportation charges, or the actual amount of loss or damage to that part of the shipment adversely affected. For shipments with an origin or destination outside the United States, Canada, Mexico, or Puerto Rico, Cargo Insurance is available. (See Section XXII, Cargo Insurance – International Shipments).
  2. When the declared value exceeds the greater of \$0.50 per pound or \$50.00 per shipment, an additional amount will be charged for each \$100 (or fraction thereof) of additional declared value as follows: (i) For shipments transported between and within the U.S., Canada, Mexico and Puerto Rico, \$0.90 for each \$100.00 (or fraction thereof), with a minimum charge of \$17.60 per shipment.
- G.** Notwithstanding the above liability limitations, shipments containing the following commodities are subject to the following maximum declared values (or maximum insured values if Cargo Insurance applies), and UPS's liability (or the insurer's liability if Cargo Insurance applies) shall not exceed such maximum declared values:

1. Items of Extraordinary Value are limited to a maximum declared value of \$500.00 unless advance pre-shipment arrangements have been made and approved by UPS in writing prior to the time of shipment. Items of Extraordinary value include:
    - a. Artworks and objects of art, including without limitation original paintings, drawings, etchings, water colors, tapestries or sculpture. Shipper shall pack these items in accordance with the packing and marking provisions contained in these Terms. UPS shall not be liable for any damage to a commodity containing glass facings when damage to the commodity is created by the breakage of the glass.
    - b. Clocks, watches, jewelry (including costume jewelry), furs, and fur-trimmed clothing.
    - c. Inherently fragile or unique items, including prototypes.
  2. The maximum declared value for any shipment containing glass is \$50.00, and UPS's liability for damage to shipments containing glass shall be limited to \$50.00. Shipments containing glass with a declared value exceeding \$50.00 will not be accepted. Shipments containing glass include but are not limited to windshields, plate glass, ceramics, chinaware, light bulbs, televisions, monitors, glass, and glassware.
  3. The maximum declared value for any envelope is \$100.00.
  4. The maximum declared value for any live animal shipment is \$100.00.
- H.** Any declared value in excess of the maximums allowed in these Terms is null and void, and the acceptance for carriage of any shipment with a declared value in excess of the allowed maximums does not constitute a waiver of these maximums. If a shipment with a declared value in excess of the maximum allowable value is inadvertently accepted, UPS liability shall not exceed the maximum allowable value set forth in this Section.
- I.** UPS's liability for claims not arising from cargo loss, delay or damage during periods of UPS carriage or bailee liability, including, but not limited to, any liabilities for importation/exportation, clearance services/filings and all other non-carrier services such as brokering, packing, loading and consolidation and always including any liability for any fines or penalty, shall be limited to the lesser of \$50 per entry, shipment, transaction, occurrence or the fees paid for the affected entry, clearance, shipment or transaction.
- J.** Shipper, consignee and any other party with an interest in the shipment hereby waives any and all rights of subrogation, recovery, claim, action or cause of action in subrogation, against UPS for any misdelivery, incomplete or otherwise inadequate delivery (including, but not limited to, failure to follow shipper or consignee instructions or failure to collect or properly deliver a payment instrument), non-delivery, missed pickup, delay, loss or damage to or arising from shipments



hereunder, regardless of cause. Shipper, consignee and any other party with an interest in the shipment (or anyone claiming by, through or on behalf of such parties) represents and warrants that their respective insurers have agreed to said waiver, and agree to hold harmless, protect, defend, and indemnify UPS against such insurers or other holders of interest for failing to secure said agreement.

## **XXII. CARGO INSURANCE — INTERNATIONAL SHIPMENTS**

- A.** At the shipper's option, where permitted under applicable law, and subject to the following requirements, a shipper may arrange for and pay for Cargo Insurance for shipments with an origin or destination outside the United States, Canada, Mexico, or Puerto Rico, if an amount of insurance is entered in the insured value section of the Air Waybill. UPS accepts no responsibility for or liability to, and the shipper and consignee waive, release, and discharge UPS from, shipper's or consignee's failure to comply with the terms and conditions of the Cargo Insurance policy. Policy terms and conditions apply and are available upon request, which terms and conditions include without limitation, the limits and conditions described in Subsections B-F, below.
- B.** The insurance covers the shipment against all risks of physical loss or damage from most external causes, subject to certain exclusions. (See exclusions listed below.) Coverage begins when the Air Waybill is issued and the shipment has been tendered to UPS, its agent or forwarder and continues until the shipment has been delivered to the final destination point named in the Air Waybill, or when the consignee or consignee's agent has taken possession.
- C.** The amount of insurance requested (in whole dollars) should be equal to the value of the shipment (lesser of replacement cost or sales price) plus insurance, incurred duty, and the freight charges, plus 10%. A premium per \$100.00 of insurance requested will be charged and billed. Advance arrangements shall be made for requested insurance greater than \$25,000 (see Section XXVIII, Shipments Subject To Advance Arrangements), and in no event shall the amount of insurance requested exceed \$500,000 without written approval. Any amount of insurance requested in excess of the maximum allowed in these Terms is null and void, and the acceptance by UPS for carriage of any shipment with an insurance amount in excess of the allowed maximum does not constitute a waiver of this maximum. Cargo Insurance is not available for shipments involving those commodities defined in Section XXIX (Shipments Not Acceptable).
- D.** All claims shall be made in accordance with the following:
  - 1. Claims for physical loss or damage covered by Cargo Insurance shall be received by:
    - a. E-mail at [upscapitalcargoclaims@ups.com](mailto:upscapitalcargoclaims@ups.com)
    - b. Fax at 1-866-331-2774, or

- c. by mail/delivery at UPS Capital Claims, P. O. Box 100458, Fort Worth, Texas 76185
2. For information regarding filing a claim and claim limits under Cargo Insurance, see <http://forwarding.ups-scs.com/documentcenter/CargoClaimsForm.asp>.
  3. No Cargo Insurance claims will be processed until the premium for such insurance has been paid. Claimants may not deduct the amounts of pending claims from any charges owed to UPS, and the shipper waives any and all rights, including any statutory or common law rights, to set off the amount of any claim against charges owed to UPS.
  4. When salvage becomes the property of the Cargo Insurance insurer due to claim settlement (such as when the insurer pays the invoice price, the actual or replacement cost of the property), it will be picked up at the insurer's sole discretion.
  5. All claims for loss or damage are subject to proof of value. All claims for loss or damage are subject to definitive proof of value based on invoice value (less profit) of any cargo which is the subject of such claim.
- E.** Shipper, for itself and on behalf of the consignee, agrees and acknowledges that UPS makes the Cargo Insurance option available simply as an accommodation to shipper who may or may not elect to obtain such coverage, and that by doing so, UPS is not and shall not be deemed to be an insurance company and shall have no liability as such.
- F.** EXCLUSIONS: Loss or damage caused by or resulting from delay, mold, vermin, moth, wear and tear and gradual deterioration, inherent vice, rust, seizure or confiscation by authorities, loss or damage by climatic conditions or extremes of temperature, changes of market, nuclear reaction, radiation, radioactive contamination, improper packing, or improper or unsuitable packaging is not covered under the Cargo Insurance Policy.
- G.** Cargo Insurance is not available for shipments with an origin and destination within the United States, Canada, Mexico, and Puerto Rico.
- H.** Cargo Insurance is not available for certain commodities, including, but not limited to, Shipments Not Acceptable under these Terms, unless pre-shipment arrangements have been made and approved by UPS in writing prior to the time of shipment.
- I.** For shipments insured by Cargo Insurance, all liability rights for recovery of any claim belong exclusively to the underwriting cargo insurance company upon any payment, subject to policy terms.

### **XXIII. NOTICE AND DISPOSITION OF PROPERTY**

- A.** When shipments arrive at destination, UPS will notify the consignee and/or the designated customs broker if UPS is not arranging for delivery.
- B.** If a shipment is unclaimed or delivery cannot be accomplished, or the shipment is undeliverable for any other reason, UPS will notify the shipper and consignee by telephone, email, facsimile or mail at the address shown on the Air Waybill. Upon written instructions from the shipper, unless prohibited by applicable customs regulations or other regulations, UPS will return the shipment, forward, or re-consign it, or otherwise dispose of it at the shipper's expense, which expense may include without limitation substantial Dangerous Goods or Hazardous Waste disposal fees where applicable. If no written instructions are received by UPS within 30 calendar days from the date of receipt of the shipment at destination, to the extent permitted by applicable law, UPS will dispose of the shipment at public or private sale without further notice to the shipper and consignee and with no further liability to UPS.
- C.** No sale or disposal pursuant to this provision shall discharge any liability of the shipper or consignee or any lien to any greater extent than the proceeds thereof, less selling expenses, if any, and the shipper and consignee shall remain liable, jointly and severally, for any deficiency.

### **XXIV. PACKING AND MARKING REQUIREMENTS**

- A.** Save in cases where UPS undertakes the preparation of a shipment for carriage as part of the UPS Inside Precision Service, shipments shall be prepared or packed by the shipper or its agents, in accordance with the provisions of this section and all legal requirements, to ensure safe transportation with ordinary care in handling.
- B.** Any article susceptible to damage by ordinary handling must be adequately protected by proper packing and shall be marked or bear appropriate labels.
- C.** Any article susceptible to damage as a result of any condition which may be encountered in transportation, such as high vibration, variations in temperature or atmospheric pressure, shall be adequately protected by proper packing and any other measures necessary to protect the article from the customary conditions of transportation.
- D.** In the event UPS provides any shipping containers or other equipment to the shipper, the shipper shall assume full responsibility for, and shall indemnify, defend and hold harmless UPS from and against any and all claims, liabilities, fines, penalties, damages, costs or other sums (including attorneys' fees and costs) related to, (a) any loss of or damage to such UPS containers or other equipment, or (b) any loss of or damage to any property or injury to any persons (including death) arising from the use of any UPS containers or equipment, in each case, while such containers or equipment are in the possession or control of the shipper, the consignee, or any of their respective customers, agents or vendors.

- E.** Each piece shall be legibly and durably marked with the name and address, including correct Zip/postal code of the shipper and consignee. When a container is used repetitively by the shipper, shipper shall remove all old labels, tags, or markings, and shipper shall ensure that the container retains adequate strength for transportation.
- F.** Pieces with a floor bearing weight in excess of 100 pounds (45.36 kilograms) per square foot shall be provided with a skid or base which will reduce the floor bearing weight to 100 pounds (45.36 kilograms) or less per square foot. Such skid or base shall be furnished by the shipper and included in the gross weight of the piece.
- G.** Shipments with a declared value for carriage of \$100.00 or more shall be packed within outside containers with measurements of at least one cubic foot in volume or more.
- H.** Shipments of artwork, original paintings, drawings, etchings, water colors, and sculptures of any kind, shall be packed in wood crates of at least 1/4 inch (.64 centimeters) thickness that completely surround the article being shipped and shall be clearly marked to identify the contents. The shipper shall not include glass facings in the same shipping container. If a glass facing is included, UPS will not be responsible for any damage to the commodity therein.
- I.** Dangerous Goods shall be packaged, marked and labeled by the shipper in accordance with applicable regulations and these Terms.

## **XXV. PERISHABLE COMMODITIES**

- A.** U.S. and Canadian shipments shall be packed to travel without spoilage for 72 hours from the time of pick up.
- B.** International shipments of perishable commodities are subject to advance arrangements. All international shipments shall be packed to travel without spoilage for 24 hours beyond a carrier/shipper agreed delivery deadline.
- C.** UPS reserves the right in its discretion to embargo regions of the world based on conditions in such regions that may cause damage to perishable commodities.

## **XXVI. ROUTING**

UPS will determine the routing, method, and modes of transportation of all shipments. UPS reserves the right to route a shipment in any way it deems appropriate and to divert any shipment (including use of other carriers) for any reason to facilitate delivery. Shipper and/or consignee agree that there are no stopping places which are agreed at the time of the tender of the shipment, and that UPS may, without notice, substitute alternate carrier or aircraft, deviate from any route, or cause the shipment to be transported by any mode it deems appropriate. UPS shall not be liable for any damages arising from UPS's inability, failure, or refusal to comply with a request to stop, return, or re-route a shipment after tender to UPS. UPS may not perform for each shipment inbound and outbound controls to monitor a shipment's route at

each and every handling station within the UPS system, and such monitoring is not part of the services included.

## **XXVII. SHIPMENTS ACCEPTABLE**

Shipments are acceptable for transportation only when the rules and regulations set forth in these Terms and all laws, ordinances, and other governmental rules and regulations governing the transportation have been complied with by the shipper and/or consignee. UPS reserves the right to refuse in its sole discretion to provide service, among other reasons, for any shipment that by reason of the dangerous or other character of its contents may, in the sole judgment of UPS, soil, taint or otherwise damage other shipments or equipment, or that is improperly packed, or if UPS deems that it is unsafe or economically or operationally impracticable to provide service.

## **XXVIII. SHIPMENTS SUBJECT TO ADVANCE ARRANGMENTS**

- A.** The following will be accepted only upon advance arrangements being made by contacting UPS Express Critical at 1-800-714-8779 and only when any required advance arrangements have been satisfactorily completed, which may include prior written or contractual approval.
1. Any shipments having a declared or insured value of \$25,000.00 or greater.
  2. Perishable commodities, including, but not limited to, fruits, vegetables, or other perishable foods, or cut flowers.
  3. Furs.
  4. Neon Signs.
  5. Self-propelled surface vehicles.
  6. Shipments requiring pickup or delivery that cannot be handled by one individual.
  7. Shipments requiring secure transportation.
  8. Shipments requiring special devices for safe handling. Shipments requiring special devices for safe handling will be accepted only when such special devices are provided and operated by and at the expense of the shipper or consignee.
  9. Multi-piece or unusually-sized Dangerous Goods.
  10. Inside Precision shipments (see Section IX).
  11. Oversized or Non-Conforming Cargo:

- a. UPS Express Critical Services shipments that contain one or more pieces measuring more than 120 inches (304.80 centimeters) in length, 83 inches (210.82 centimeters) in width, or 76 inches (193.04 centimeters) in height, or that are otherwise restricted by their height/contour/profile from fitting in a UPS single standard container;
  - b. Shipments that have a total actual weight or dimensional weight equal to, or greater than, 3000 pounds (1360 kilograms).
- B.** The following shipments also are subject to UPS's prior written approval, and shall satisfy the following requirements:
1. Shipments containing alcoholic beverages may only be shipped from a licensed dealer or distributor to another licensed dealer or distributor and will only be accepted on an airport to airport basis.
  2. Shipments of gold or other precious metals including, but not limited to, silver, bronze, copper, gold or silver coins, coin collections, gems, precious stones, and bullion.
  3. Postage, trading or revenue stamps, and stamp collections.
  4. Money, currency, bonds, bills of exchange, deeds, promissory notes, negotiable securities, stock certificates, lottery tickets, and other documents of inherent value.
  5. Antiques.
  6. Original manuscripts.
  7. Any item of extraordinary value, Lottery Tickets and other documents of inherent value.
  8. Drugs (prescription and non prescription);

#### **XXIX. SHIPMENTS NOT ACCEPTABLE**

- A.** The following items are not accepted for transportation unless pre-shipment arrangements have been made and approved by UPS in writing prior to the time of shipment. The liabilities relating to any of these commodities nevertheless accepted for transportation for any reason shall in all events be governed by these Service Terms:
1. Corpses, cremated, or disinterred remains.
  2. Live animals (including birds, fish, reptiles, or insects).

3. Stringed instruments including but not limited to violins, violas, cellos, bass violins, guitars, mandolins or banjos. (Note: UPS accepts such instruments if strings are removed prior to shipment).
4. Uncrated, unwrapped or otherwise improperly packaged furniture or household goods.
5. Unwrapped or otherwise improperly packaged goods.
6. Shipments consigned "To Order of," "To Order Notify," or other similar designations.
7. Shipments requiring special care or attention between origin and destination, other than as provided in Sections IX (Inside Precision Service).
8. Shipments requiring a DOT "Inhalation Hazard" label or marking.
9. Waste materials.
10. Shipments requiring a DOT or IATA Explosives 1.1, 1.2, 1.3, 1.4F, 1.5 or 1.6 label.
11. Shipments classified as "Infectious Substance, Category A," including, without limitation, UN2900 and UN2814.
12. Fissile radioactive materials.
13. Shipments not accompanied by proper documentation required by a treaty, convention, statute or regulation applicable to such shipments.
14. Shipments of an inherent nature for which transportation could not be furnished without sustaining loss or damage, including but not limited to the following shipments if they have a glass facing included in the same shipping container: used plasma televisions, artwork, original paintings, drawings, etchings, water colors, and sculptures of any kind.
15. Shipments requiring a federal, state or local license for transportation that UPS has elected not to obtain.
16. Shipments that could cause damage to other shipments, equipment or crew.
17. Shipments that are improperly packaged. Acceptance of any shipment shall not create a presumption that the shipment was properly packaged for carriage, and shipper remains ultimately responsible to ensure proper packaging.
18. Nursery stock or plants.
19. COD (Collect on Delivery) shipments.
20. Fireworks.

21. Fish meal.
  22. Shipments containing marijuana, as that term is defined by 21 U.S.C. § 802(16), including marijuana intended for medicinal use.
  23. Shipments prohibited by law.
  24. Shipments of personal effects (including but not limited to wearing apparel, cosmetics, toilet articles, and articles worn by an individual, used, not for resale) .
  25. Firearms; firearm parts or components (i) that if assembled create a fully operational firearm, or (ii) which on visual inspection appear to be an assembled firearm, or (iii) which are defined as a firearm under applicable law, including without limitation Title 18, Chapter 44, and Title 26, Chapter 53 of the United States Code.
- B.** The following items also are not accepted for UPS Express Critical International service:
1. Animals
  2. Plants
  3. Foodstuff (including feed or other edible material intended for consumption by humans or animals);
  4. Perishable commodities,
  5. Dangerous Goods or Hazardous Materials (in air transport)
  6. “In Bond” shipments;
  7. Cosmetics
  8. Gambling devices
  9. Alcohol
  10. Tobacco
  11. Pornography

### **XXX. SHIPMENTS SUBJECT TO DELAY**

The following conditions may delay delivery of the shipment to the consignee and shipments subject to such conditions are not eligible for Guaranteed Service, and if accepted for Guaranteed Service, are not eligible for the Guaranteed Service remedy set forth in Section XIV:

- A.** Shipments that have dimensions too large for available aircraft or vehicle.



- B.** Shipments that are improperly or inadequately packaged, labeled, or marked or that lack proper documentation.
- C.** Shipments tendered by another carrier or by the shipper that do not enter the UPS system in time to meet UPS departure times or critical processing requirements.
- D.** Shipments for which the consignee address or Zip/postal code is missing, incorrect, or incomplete.
- E.** Shipments requiring government approvals, licenses, permits or processes prior to export or import.
- F.** Shipments difficult to handle, including oversized or unwieldy shipments.
- G.** Shipments for which UPS is instructed (either by instruction on the Air Waybill or marking or labeling on the shipment) to refrain from breaking down a palletized shipment.
- H.** Dangerous Goods.
- I.** Shipments requiring customs clearance and shipments subject to government agency requirements other than customs clearance, such as inspection of commodities.
- J.** Shipments subject to security requirements of a carrier or government agency, or other authority.

### **XXXI. INSPECTION**

UPS may, but shall not be obligated to, inspect any shipment. Cargo items tendered for air transportation may be subject to aviation security controls by air carriers, and to other government regulations.

### **XXXII. PRIVACY ACT NOTICE**

The information a shipper provides, such as name, address and telephone number, will be used to qualify shipper or verify the shipper's status as a possible "known shipper." 49 U.S.C. 114 authorizes the collection of this information. Providing this information is voluntary, however, failure to provide the information will prevent the shipper from qualifying as a "known shipper." This information will be disclosed to TSA personnel and contractors or other agents including indirect air carriers in the maintenance and operation of the known shipper program. TSA may share the information with airport operators, foreign air carriers, indirect air carriers, law enforcement agencies, and others in accordance with the Privacy Act, 5 U.S.C. 552a. For additional details, see the systems of records notice for Transportation Security Threat Assessment System (DHS/TSA 002) published in the Federal Register.

### **XXXIII. STORAGE**

- A.** Detention charges will be applied to any shipments where the consignee is not available to accept the shipment immediately upon arrival or scheduled delivery time.
- B.** After attempting delivery UPS will continue to hold such shipments, subject to an additional charge per shipment, per calendar week, or pro-rated portion thereof. A “calendar week” means a period of seven (7) successive calendar days, including non-business days, and legal holidays. If such continued holding is not practical, the shipment will be placed in a public warehouse at the expense of the shipper and consignee, subject to a lien for all Transportation, storage, delivery, warehousing, and other charges, including additional handling charges.
- C.** Except when the shipment is being held by UPS after the expiration of the attempted delivery and until the expiration of attempted delivery, UPS’s liability for storage shall otherwise be that of a warehouseman and shall not exceed \$0.50 (fifty cents) per pound of goods lost or damaged or \$50 per occurrence in the event of error or omission resulting in a claim other than for loss of damage to goods.
- D.** Except as otherwise agreed in writing, shipments will be held for a period of time not to exceed thirty (30) calendar days from the first 8:00 a.m. following the receipt of the shipment. At the expiration of thirty (30) calendar days, the shipment or part of the shipment will be returned to the shipper at the shipper’s expense, subject to a lien for all charges applicable to the shipment or part thereof, or will be disposed of pursuant to Section XXIII (Notice and Disposition of Property) if it is not feasible to return it to the shipper.
- E.** UPS’s lien rights shall apply to all shipments which are stored pursuant to these Terms.

### **XXXIV. MODIFICATION; WAIVER**

- A.** Any failure to enforce or apply a term or provision of the Air Waybill, or of these Terms, 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.
- B.** No subcontractor, agent, or contracting carrier, or other provider has the authority to waive or vary any of these Terms. Only an officer of UPS is authorized to change or modify these terms and any change or modification shall be in writing.

### **XXXV. SEVERABILITY; CONTROLLING LAW**

- A.** If one or more provisions of these Terms shall be held to be invalid, illegal or unenforceable, that provision(s) shall be enforced to the maximum extent possible, and the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

- B.** Except where law or treaty mandate governing law, these Terms, and the performance, rights and obligations of the parties under these Terms, shall be governed by, and construed in accordance with the laws of the United States and the State of Georgia.