



***Associated
Global Systems Inc.***

Service Guide

Terms and Conditions

DOMESTIC OVERNIGHT SECOND DAY THIRD DAY FOUR-FIVE DAY SAMEDAY EXPEDITED
GROUND TRUCK LOAD INTERNATIONAL SAMEDAY DOOR-TO-DOOR AIR EXPRESS ECONOMY
AIRFREIGHT SERVICE SEA FREIGHT SERVICE IMPORT FREIGHT SERVICE DISTRIBUTION
SERVICE CONSULTING AND TRAINING INSURANCE AND RISK MANAGEMENT CUSTOMS
BROKERAGE AIRCRAFT ON GROUND TRANSBORDER AIRCHARTER CONTRACT HOUSING AND
DISTRIBUTION IMPORT PURCHASE ORDER MANAGEMENT SUPPLY CHAIN SOLUTIONS WHITE
GLOVE DELIVERY RECOVERY AND RETURN DISTRIBUTION BY-PASS PROCUREMENT
LOGISTICS MERGE IN TRANSIT PARTS LOGISTICS U.S. IMPORT DISTRIBUTION EXPORT
ASSEMBLY AND CONSOLIDATION DOMESTIC OVERNIGHT SECOND DAY THIRD DAY
FOUR-FIVE DAY SAMEDAY EXPEDITED GROUND TRUCK LOAD INTERNATIONAL SAMEDAY
DOOR-TO-DOOR AIR EXPRESS ECONOMY AIRFREIGHT SERVICE SEA FREIGHT SERVICE
IMPORT FREIGHT SERVICE DISTRIBUTION SERVICE CONSULTING AND TRAINING INSURANCE
AND RISK MANAGEMENT CUSTOMS BROKERAGE AIRCRAFT ON GROUND TRANSBORDER
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MANAGEMENT SUPPLY CHAIN SOLUTIONS WHITE GLOVE DELIVERY RECOVERY AND RETURN
DISTRIBUTION BY-PASS PROCUREMENT LOGISTICS MERGE IN TRANSIT PARTS LOGISTICS

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Acceptable Shipments

Shipments are acceptable for transportation only when the rules and regulations shown in this Service Guide and all laws, ordinances, and other governmental rules and regulations governing the transportation thereof have been complied with by the shipper and/or consignee.

Advancement of Charge

- A. Upon request, AGS will advance the charges for transportation, cartage, storage, loading, unloading, unpacking, packing and processing NOT performed by AGS, when a sufficient guarantee is given by either the shipper or consignee that such charges will be paid. For each advancement of charges, a service fee of \$10.00 per \$100.00 of the actual advanced amount, or fraction thereof, will be assessed, subject to a minimum advancement fee of \$10.00.
- B. AGS will not advance charges on any shipment on which prepayment of charges is required unless the amount of such advances has been deposited in cash with AGS.

AGS Housebill (Waybill)

- A. The shipper shall have the duty to prepare and present a non-negotiable AGS housebill (waybill) with each shipment tendered for transportation. If the shipper shall fail to present such waybill to AGS at the time of tendering the shipment, AGS will accept such shipment if accompanied by a non-negotiable document. No waybill or other shipping document issued or accepted by AGS shall be negotiable. Each such shipment, irrespective of the form of shipping document accepted by AGS in connection therewith, shall be subject to the rules, regulations, rates and charges set forth by AGS in effect on the day of acceptance of such shipment by AGS.
- B. The waybill shall inure to the benefit of and be binding upon the shipper, the consignee and AGS.
- C. No employee, agent or representative of AGS is authorized or empowered to vary or modify any terms or conditions of the waybill.

Business Days/Holidays

“Business Day” means Monday through Friday except for the following U.S. and Canadian holidays:

United States

New Year's Day
 Memorial Day
 Independence Day
 Labor Day
 Thanksgiving Day
 Christmas Day
 Three Kings Day (Puerto Rico)
 Constitution Day (Puerto Rico)

Canada

New Year's Day
 Victoria Day
 St. John the Baptist Day (Que.)
 Dominion Day
 August Bank Holiday (Ont./Man.)
 British Columbia Day (B.C.)
 Labour Day
 Thanksgiving Day
 Remembrance Day
 Christmas Day
 Boxing Day

Deliveries normally scheduled to be made on a day of holiday observance will be delivered on the following business day. Delivery on a holiday is available on request at an additional charge as shown in **Special Pickup and Delivery Service** (pages 16-17).

Cartage Agents/Delivery Service

- A. When a customer elects to use a cartage agent to deliver a shipment on the customer's behalf from an AGS office, we retain the right to bill the customer for the cartage agent's charges billed to AGS along with air transportation charges and a \$7.00 handling charge or a \$3.00 per hundred of the actual amount advanced.

Cartage Agents/Pickup Service

- A. When a customer elects to use a cartage agent to pick up a shipment on the customer's behalf to deliver to an AGS office, we retain the right to bill the customer for the cartage agent's charges billed to AGS along with transportation charges and a \$7.00 handling charge or a \$3.00 per hundred of the actual amount advanced.
- B. Cartage agent advance charges from shipments originating in delivery areas A or B that are billed to AGS will be added to the transportation charges shown in this Guide.
- C. Cartage agent advance charges from shipments originating at communities in this Guide not coded delivery areas A or B will apply in place of the applicable charge shown in this Guide.

Claims Procedure

- A. In the case of shipments moving between points in the United States or between points in Canada, or between points in the United States and Puerto Rico, the following rules shall apply:
 - 1. All claims, other than overcharge claims, must be made in writing to AGS within ninety (90) days after the date of acceptance of the shipment by AGS.
 - 2. Receipt of the shipment by the consignee without written notification of loss or damage on the delivery receipt will be prima facie evidence that the shipment was delivered in good condition. Damage and/or loss discovered by the consignee after delivery when no notification of loss or damage has been made on the delivery receipt by the consignee upon receipt of the shipment must be reported to AGS at destination within twelve (12) days from the date of delivery. The shipment, its container(s) and its packing material must be made available to AGS for inspection at the delivery location on the waybill. Written claim must be filed in accordance with the preceding paragraph.
- B. In the case of shipments moving between international points, including those shipments for which the United States or Canada may be the countries of origin or destination, the following rules shall apply:
 - 1. Receipt of the shipment by the consignee without written notification of loss or damage on the delivery receipt will be prima facie evidence that the shipment was delivered in good condition. Damage and/or loss discovered by the consignee after delivery when no notification of loss or damage has been made on the delivery receipt by the consignee upon receipt of the shipment must be reported to AGS at destination within seven (7) days from the date of delivery. The shipment, its container(s) and its packing material must be made available to AGS for inspection at the delivery location shown on the waybill.
 - 2. Delayed claims must be reported to AGS in writing within twenty-one (21) days from the date that the shipment is placed at the consignee's disposal.
 - 3. In case of non-arrival or non-delivery, a written claim must be filed with AGS within one hundred and twenty (120) days after the date of acceptance of the shipment by AGS.
- C. The following procedures will apply to all shipments regardless of the origin and destination.
 - 1. No claim will be processed by AGS until all transportation charges have been paid. The amount of a claim may not be deducted from the transportation charges.
 - 2. Claims for overcharges or refunds must be made to AGS, in writing, within one hundred eighty (180) days after the date appearing on the bill tendered by AGS for handling the shipment.

Charges Prepaid or Collect

Shipments will be accepted either with the charges to be prepaid by the shipper or to be collected from the consignee.

The following shipments must be prepaid by cash, cashier's check, money order, credit card or company check unless the shipper guarantees, in writing, the payment of collect charges:

1. Shipments addressed to persons restrained of their liberty.
2. Shipments addressed to United States Government agencies, unless shipped on Government bill of lading.
3. Shipments not equal to commercial value to charges thereon.
4. Shipments destined to exhibition grounds, parks, fairs, or similar enclosures where admission is charged for entrance.
5. Shipments of personal effects consisting of wearing apparel, cosmetics, toilet articles and articles worn by an individual, used, not for resale.
6. Shipments addressed to hotel guests.
7. Shipments addressed to any person and/or organization in care of another person and/or organization.

Collect on Delivery (C.O.D.) Shipments

- A. Collect on Delivery (C.O.D.) Service will be provided by AGS subject to the following conditions:
1. The amount of the C.O.D. to be collected from the consignee must be entered on the waybill by the shipper in the space provided.
 2. The letters C.O.D. must be legibly and durably marked on each piece of a C.O.D. shipment by the shipper.
 3. In the absence of a declaration of value by the shipper on a C.O.D. shipment, the C.O.D. amount will be considered to be the shipper's declared value for carriage.
 4. The full amount of the C.O.D. is payable in cash or by certified check, bank check, or money order, payable to AGS except when the shipper, in writing or by endorsement on the waybill, authorizes AGS to accept the consignee's check made payable to the shipper on C.O.D. shipments. AGS' sole responsibility shall be to secure the check and to exercise due care and diligence in forwarding it to the shipper. AGS' charge for collecting and remitting the amount of the C.O.D. must not be included in the check or money order made payable to the shipper.
 5. No privilege of examination or trial will be given prior to the collection of the C.O.D. No partial collection on the amount of the C.O.D. will be made. No partial delivery of a C.O.D. will be made unless the full amount of the C.O.D. has been collected.
 6. The disposition of refused or unclaimed C.O.D. shipments may be arranged for by the shipper in the following manner:
 - (a) by instructions placed on the waybill at the time of shipment.
 - (b) by written order to AGS at origin, who will transmit such instructions to destination at the expense of the shipper.
 7. C.O.D. shipments refused or unclaimed by the consignee will be held subject to storage. If written disposal instructions as prescribed in Paragraph 6(b) are not received within thirty (30) days after notice has been given to shipper, such shipments will be returned to the shipper at shipper's expense.
 8. For collecting and remitting the amount of C.O.D., a charge of \$3.00 per \$100.00 of the actual C.O.D. amount collected, or fraction thereof, will be assessed, subject to a minimum charge of \$25.00 per shipment.
- B. The C.O.D. amount will be mailed to the shipper by AGS within 10 days after collection from the consignee. COD checks can be returned in 3 days by overnight service for an additional charge of \$25.00.

- C. AGS will not provide C.O.D. service on the following types of shipments;
1. Shipments requiring prepayment or guarantee of transportation charges, except those shipments prepaid because commercial value is less than transportation charges.
 2. Shipments on which the amount to be collected on delivery exceeds \$1,000.
 3. Shipments moving via AGS Same Day Service.

Hazardous Materials (Hazmat) / Dangerous Goods / Restricted Articles

- A. Dangerous Goods means those commodities which must be transported by air in accordance with the provisions set forth in the Code of Federal Regulations, Title 49 (CFR 49) as issued by the U.S. Department of Transportation and governs the transport of hazardous materials/dangerous goods to, from and within the United States.

CFR 49 allows for the use of the ICAO Technical Instructions for the transport of these materials by air. The ICAO Technical Instructions allow for the use of the IATA Dangerous Goods for air transport.

For ocean transport, the regulation is governed by the International Maritime Dangerous Goods Code (IMDG) which is allowed in CFR 49, section 171.12 (c).

- B. For all shipments of Dangerous Goods, a charge of \$75.00 per shipment or \$25.00 per 100 pounds will be assessed in addition to all other applicable charges.

Delivery Reports

The time of delivery of a shipment to the consignee will be telephoned to shipper upon his request, provided such request is made not later than the time shipment is tendered to AGS.

Descriptions of Shipments

- A. The contents of all shipments must be indicated by accurate description on the waybill.
- B. The number of pieces included in a shipment must be specified on the waybill.

Dimensional Charges

- A. Except as otherwise provided in this Service Guide, 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 dimensional weight determined in accordance with Paragraph F of this rule.
- B. Charges will be assessed at the rates in effect on the day of acceptance of the shipment by AGS.
- C. In computing charges, fractions of less than one-half cent will be omitted and fractions of one-half cent or more will be considered as one cent.
- D. Fractions of pounds will be assessed at the charge for the next higher pound.
- E. Charges for Domestic 1, 2 and 3 Day shipments with overall measurement exceeding 166 cubic inches per pound will be assessed on the basis of one pound for each 166 cubic inches or fraction thereof.

Charges for Domestic 4/5 Day shipments with overall measurement exceeding 200 cubic inches per pound will be assessed on the basis of one pound for each 200 cubic inches or fraction thereof.

Cubic measurements will be based on the product of the length times width times height of the shipment.

- F. Shipments that require Same Day, Overnight or Second Day service that have one or more pieces that exceed 52 inches in height, or 84 inches in length or 240 inches (20 feet) in girth, may be rated at a \$30.00 per hundred pound surcharge. Shipments that exceed 85 inches in height would be handled on a service and price quote basis.
- G. Charges for international air shipments with overall measurements exceeding 166 cubic inches per pound will be assessed on the basis of one pound for each 166 cubic inches or fraction thereof.

Exception Rates

Shipments containing the commodities shown below will be charged a premium over the AGS Overnight Service rates.

<u>DESCRIPTION</u>	<u>PREMIUM</u>
Live Animals	150%
Self-propelled surface vehicles	150%
Furs	100%
Neon signs or tubes	100%
Watches/Chronograph Instruments	200%

In addition, all of the following shipments are excluded from AGS's Second Day Service:

- Live Animals
- Perishable items
- Self-propelled surface vehicles
- Neon signs or tubes
- Jewelry/furs or any other items of extraordinary value
- Hanging garments
- Hazardous materials

Expedited Service

Expedited Service shipments that require airline air express or air cargo service routing because of late pickup or time specific delivery requirements or routing to an alternate airport would receive an additional charge of \$100.00 or \$1.00 per pound with a peak holiday season charge of \$150.00 or \$1.50 per pound (whichever is greater).

Fuel Surcharge

Fuel Surcharge based on Diesel Index for AGS Ground Services and Jet Fuel Index for AGS Air Services issued by the Department of Energy and updated monthly.

Hold/Drop Off Shipments

Shipments can be routed by the customer "Hold for Pickup" and shipments can be "dropped off".

If three or more shipments are dropped off at one time, the pickup discounts in section 4 will apply. If two or more shipments are held for customer pickup at one time, there is no multiple delivery discount.

Holiday Pickup and Delivery Service

- A. Shipments picked up or delivered on a Holiday would be rated as an Overnight shipment with a special pickup or delivery charge.
- B. If a shipment picked up or delivered on a Holiday requires premium routing, Same Day Service rates will apply.

Indemnification

The shipper and consignee shall be liable, jointly and severally, to pay and/or indemnify AGS for all claims, fines, penalties, damages, costs or other sums, including attorney's fees, which may be incurred, suffered or disbursed by AGS by reason of: (1) any violation of any of the rules contained in these Terms and Conditions; (2) any other default of the shipper or consignee or other parties with respect to such shipment, or; (3) an action taken by AGS for the collection of freight charges due on any such shipment.

Inspection of Shipments

All shipments are subject to inspection by AGS.

Liabilities Not Assumed

- A. AGS shall not be liable for any loss, damage, delay, mis-delivery, or non-delivery or other result not caused by its own negligence.
- B. Without limiting the generality of Paragraph A, AGS shall not be liable for any loss, damage, delay, mis-delivery, or non-delivery, or other result caused by:
 - 1. The act, default or omission of the consignee, shipper, or any other party claiming an interest in the shipment.
 - 2. The nature of the shipment or defect or inherent vice therein.
 - 3. Improper or insufficient packing, securing or addressing or any other violation of the terms contained herein.
 - 4. Acts of God, weather conditions, perils of the air, public enemies, public authorities acting with actual or apparent authority on the premises, authority of law, quarantine, riots, strikes, civil commotions, or hazards incident to a state of war.
 - 5. Acts or omissions of any person other than AGS including compliance with delivery instructions from the shipper or consignee.
- C. AGS shall not be liable in any event for any special, incidental or consequential damages arising from transportation, including but not limited to loss of profits or income, whether or not AGS had knowledge that such damage might be incurred.

Liability for Charges

The shipper, consignee and third party bill to payor shall be liable, jointly and severally, for all unpaid charges payable on account of a shipment including, but not confined to, sums advanced or disbursed by AGS on account of such shipment.

Lift Gate / Pallet Jack

Lift Gate service would apply on shipments with one or more pieces weighing more than 150 pounds have an added charge of \$45.00.

Pallet Jack service would apply on shipments with one or more pieces weighing more than 150 pounds have an added charge of \$45.00.

Liens on Shipments

AGS shall have a lien on the shipment for all sums due and payable to AGS. AGS may assert a lien not only on the shipment, but on any "C.O.D." amounts held by AGS for the benefit of a consignee. In the event of non-payment of any sums payable to AGS, the shipment will be held by AGS and be subject to storage and/or disposed of at public or private sale, without notice to shipper or consignee, paying AGS out of the proceeds of such sale all sums due and payable, including storage charges.

Limit of Liability - Domestic

The Domestic liability of AGS shall be limited to \$50.00 / \$0.50 per pound of cargo damaged or lost, plus the amount of AGS's transportation charges applicable to that part of the shipment damaged beyond economical repair or lost, unless at the time the shipper tendered the shipment to AGS, the shipper made a declaration of value for carriage in excess of \$50.00 / \$0.50 per pound in the space designated in AGS' waybill or shipper's letter of instruction for a declaration of value for carriage. When such declaration is made, AGS' liability shall in no event exceed the average declared value per pound/piece of the shipment plus applicable freight charges as stated above or the amount of loss or damage actually sustained, whichever is lower.

Limit of Liability - International

The International liability of AGS shall be limited to:

- A. International Air \$50.00 or \$9.07 per pound.
- B. International Ocean \$500.00 per piece, unit or container.

Limitations of Actions

- A. In the case of shipments moving between points in the United States, or between points in Canada, or between points in the United States and points in Puerto Rico, AGS will not be liable in any action brought to enforce a claim unless the applicable claims procedures have been complied with and unless such action is brought within one (1) year after the date written notice is given to the claimant that AGS has disallowed the claim in whole or in part.
- B. In the case of shipments moving between international points, including those shipments for which the United States or Canada may be the countries of origin or destination, the right to damages shall be extinguished if an action to recover the damages is not brought within two (2) years, reckoned from the date of arrival of the shipment at destination or from the date on which the shipment ought to have arrived or from the date on which the carriage stopped.

Loading and Unloading Incidental to Pickup and Delivery Service

Loading and unloading incidental to pickup and delivery service will ordinarily be performed by one man; pickup and delivery service will not be provided for pieces which cannot be handled by one man unless advance arrangements have been made, including where necessary, the furnishing of additional men and equipment by the shipper or consignee.

Not Acceptable Shipments

The following shipments will NOT be accepted under any circumstances:

- A. Human Remains, Cremated, or Disinterred Remains.
- B.
 - 1. Live animals, except mice, rats, hamsters, guinea pigs, rabbits, cats, dogs and monkeys destined to or originating at medical laboratories within the United States or Canada.
 - 2. Birds, fish, reptiles or insects.
- C. Precious metals, namely:
 - Gallium
 - Dore Bullion
 - Gold, Gold Bullion, Cyanids, Dust, Sulphides or Concentrates
 - Platinum, Cyanid, Dust, Sulphides or Concentrates
 - Palladium
 - Silver, Silver Bullion, Cyanids, Dust, Sulphides or Concentrates

- D.
 - 1. Bronze, copper, gold or silver coins.
 - 2. Coin collections or coins.
- E.
 - 1. Postage, trading or revenue stamps.
 - 2. Stamp collections.
- F. Money, currency, bonds, Bills of Exchange, deeds, Promissory Notes, Negotiable Securities or Stock Certificates.
- G. Artworks or objects of art, namely: original paintings, drawings, etchings, water colors, tapestries or sculpture, statues, collectibles, art clothing, prototypes, one of a kind items and custom made items.
- H. Antiques.
- I. Gemstones, cut or uncut, namely: diamonds, rubies, emeralds or opals.
- J. Pearls.
- K. Industrial and synthetic diamonds.
- L. Jewelry with a declared value of \$100.00 or more per pound.
- M. Original manuscripts, of which no other copy exists.
- N. Musical stringed instruments, namely: Violins, Violas, Cellos, Bass Violins, Guitars, Mandolins or Banjos.
- O. Watches, watch cases, clocks and chronographs, with a declared value of \$500.00 or more per shipment.
- P. Costume jewelry with a declared value of \$500.00 or more per shipment.
- Q. Furs, fur-trimmed and fur clothing, with a declared value of \$500.00 or more per shipment.
- R. Personal effects, namely: used clothing or articles in trunks, suitcases, or other containers described as personal effects, with a declared value of \$500.00 or more per shipment.
- S. Furniture or household goods, used, not for resale, uncrated or unwrapped.
- T. Shipments consigned "To Order Of" or "To Order-Notify" or "P.O. Box".
- U. Alcoholic beverages.
- V. Shipments improperly packed or packaged.
- W. Perishables including, but not limited to: fresh fruits, vegetables or perishable foods, cut flowers, nursery stock, plants.
- X. Shipments consigned to post offices.
- Y. Poisons.
- Z. Hazardous waste materials.
- AA. Shipments requiring a DOT explosive A or B or IATA 1.1, 1.2, 1.3, 1.4F 1.5 or 1.6 label.
- AB. Shipments requiring a DOT "Etiologic Agent" or IATA "Infectious Substance" label.
- AC. Firearms not shipped from or consigned to a licensed manufacturer, licensed importer, licensed dealer or licensed collector who is not prohibited from such shipments by federal, state or local regulations.
- AD. Radioactive Material.
- AE. Insufficiently packed or protected items.

Notice and Disposition of Property

- A. AGS will promptly notify the consignee of the arrival of the shipments, except when delivery service is to be provided by AGS.
- B. If, at the expiration of the free storage time provided, a shipment containing non-perishable property is unclaimed or delivery cannot be effected, AGS will so notify the shipper and consignee, by mail, at the addresses shown on the waybill. Upon written instructions from the shipper AGS will return the shipment to the shipper, forward or re-consign it, or otherwise dispose of it, all at the shipper's expense. If no such instructions are received within 30 days after the date of mailing such notice, AGS will dispose of the shipment at public or private sale.
- C. If a shipper or consignee desires notification by collect telephone call or fax when a shipment is delayed in the possession of AGS, threatened with deterioration, unclaimed, or delivery cannot be effected, authorization and instructions for such notification, including the name, telephone number, and/or address of the party to be notified, shall be given on the waybill. If such authorization and instructions are not given, or if, after reasonable attempt to comply herewith, AGS does not promptly receive further instructions concerning the disposition of the shipment, AGS will take such steps as due diligence requires for the protection of all parties in interest, including rerouting the shipment by other means of transportation, or disposal of the shipment at public or private sale, without further notice to the shipper or consignee.
- D. No sale or disposal pursuant to this provision shall discharge any liability or 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.

Oversize and Overweight Shipments

Shipments that are routed in airline or air cargo service and have one or more pieces that exceed 250 pounds or 55 inches in height, or 84 inches in length, or 240 inches in girth and height will receive an additional charge of \$100.00 or \$1.00 per pound. Shipments that exceed 85 inches in height would be handled on a service and price quote basis.

Packing and Marking Requirements

- A. Shipments must be prepared or packed to insure safe transportation with ordinary care in handling.
- B. Any articles susceptible to damage by ordinary handling must be adequately protected by proper packing and must be marked or bear appropriate labels.
- C. Any article susceptible to damage as a result of any condition which may be encountered in air transportation, such as high or low temperature, high or low atmospheric pressure, or sudden changes in either, must be adequately protected by proper packing and any other necessary measures.
- D. Each piece must be legibly and durably marked with the name and address of the shipper and consignee.
- E. Pieces with a floor bearing weight in excess of 100 pounds per square foot must be provided with a skid or base which will reduce the floor bearing weight to 100 pounds or less per square foot. Such skid or base must be furnished by the shipper and included in the gross weight of the piece.
- F. Each piece of a "C.O.D." shipment must be plainly marked to show that the shipment is "C.O.D." The markings must also show the number of pieces in the shipment.
- G. Shipments with a declared value for carriage of \$100.00 per pound or higher must be packed in outside containers with measurements of 1,728 cubic inches (one cubic foot) or more.

- H. Shipments of artwork, original paintings, drawings, etchings, water colors and sculptures of any kind must be packed in wood crates of at least 1/4 inch thickness which completely surround the article being shipped and must be clearly marked as to the nature of the contents.

Descriptions:

1. The contents of all shipments must be indicated by accurate description on the waybill.
2. The number of pieces included in a shipment must be specified on the waybill.

Payment of Charges

- A. Except as noted, rates and charges published herein are stated in United States currency and are payable in lawful money of the United States.
- B. All charges applicable to a shipment are payable in cash as the time of acceptance thereof by AGS in the case of a prepaid shipment (i.e. a shipment on which the charges are to be paid by the shipper) or at the time of delivery thereof by AGS in the case of a collect shipment (i.e., a shipment on which the charges are to be paid by the consignee).

Exception:

Upon request of the shipper or consignee and upon proof of credit standing acceptable to AGS, credit will be extended for a period of 10 days from the date of billing by AGS. Invoices will be issued to such credit accounts within 72 hours after movement.

Pickup and Delivery Service

- A. Pickup and/or delivery service will be provided during business hours Monday through Friday (excluding legal holidays). Saturday pickup and delivery service is available on request, as noted below.
- B. Pickup and/or delivery services will not be provided:
1. When, because of conditions beyond AGS's control, it is impractical to operate vehicles.
 2. To and from any address not directly accessible to vehicles.
- C. At buildings where AGS's employees or agents are not permitted access to floors above the ground floor:
1. Shipments delivered to the person whose duty it is to receive property for the occupants of such buildings, will constitute delivery to consignee.

Private Residence Service

A charge of \$20.00 or \$10.00 per 100 pounds in addition to all other charges will be assessed for pickup or delivery service at a private residence. Private residence refers to apartments, barracks, dormitories, homes or houses that are the living quarters of the shipper or consignee.

Proof of Delivery

When requested by the shipper or consignee, AGS will furnish a photo static copy of the waybill, bill of lading, or manifest signed by the consignee or his agent as proof of delivery for a fee of \$5.00. The customer can print a POD at no cost from the AGS website.

Re-Delivery Service

A shipment which, through no fault of AGS, cannot be delivered on the first tender of delivery to the consignee, will be returned to AGS's station and the consignee will be notified. Re-delivery will be made only upon request of the consignee. If after 3 business days from the date of notification to the consignee the shipment still cannot be delivered, the terms and conditions of the "storage" rule in this Service Guide will apply.

Routing and Re-Routing

- A. AGS, exercising due diligence in order to protect all shipments accepted for transportation, will determine the routing of all shipments not routed by the shipper.
- B. In the absence of specific contrary instructions by the shipper on the waybill including an instruction not to substitute any other carrier, or that AGS must obtain the shipper's consent before it substitutes any other carrier, AGS may divert any shipment, in order to expedite its delivery, to common carrier surface transportation.
1. Where a shipment, because of its size, weight, or contents cannot be accommodated on aircraft over some portion of its routing; or
 2. Where airlift is unavailable due to weather conditions, mechanical trouble embargo, strike or other emergency conditions beyond AGS's control; or
 3. Where a shipment will be unreasonably delayed because on some portion of its routing the volume of cargo on hand exceeds the capacity of aircraft departing within a reasonable time.
- C. The transportation charges shall be assessed as if the shipment moved from origin to destination via the destination on the waybill.

Saturday Pickup and Delivery Service

- A. Shipments delivered on Saturday when requested at the time the shipment is picked up, a charge of \$25.00 or \$14.00 per cwt will apply in addition to all other applicable charges up to noon; and after noon, a \$50.00 or \$18.00 per cwt will apply.

Screening Surcharge

In order to protect the integrity of our transportation schedules and prevent any disruption to our planned departures, AGS works diligently with each of our carriers to ensure a seamless transition from our care to the loading of the aircraft.

An additional screening cost applies to all cargo received unscreened. To partially offset the additional costs, a Screening Surcharge is applied at the greater of actual costs or a \$15 minimum charge or \$0.15 per pound.

Security Surcharge

AGS has implemented additional procedures, activities and investments to safeguard our customers' shipments while in our custody, following well publicized incidents involving the transportation of shipments containing illegal explosive devices. To partially offset the additional costs, a Security Surcharge is applied at the greater of actual costs or a \$15.00 minimum charge or \$0.15 per pound.

Service Guarantee

AGS guarantees to deliver on time in accordance with the Service Standards shown in this section of the Guide.

- A. An overnight and Second Day Service shipment with transportation charges of \$150.00 or less, AGS will provide a 100% refund or credit to your account.

On shipments exceeding \$150.00 in transportation charges, AGS will provide a 100% refund or credit on the first \$150.00 and a 50% refund or credit on the amount over \$150.00.

Examples:

<u>Transportation Charge</u>	<u>Refund Amount</u>
\$ 50.00	\$ 50.00
\$ 150.00	\$ 150.00
\$ 500.00	\$ 325.00
\$2,000.00	\$1,075.00

- B. On Same Day Service shipments, AGS will refund or credit your account 100% of the transportation charges over our Overnight Service rates.

<u>Examples:</u> <u>Weight</u>	<u>Same Day Transportation Charges</u>	<u>Overnight Transportation Charges</u>	<u>Refund Or Credit</u>
1	\$124.00	\$ 23.00	\$101.00
15	150.00	50.00	\$100.00
70	200.00	100.00	\$100.00

- C. Request for a refund or credit must be made in writing within 30 days after delivery of the shipment by AGS. Write to AGS , P.O. Box 5015, New Hyde Park, NY 11042 with:
1. Shipper name, address, city
 2. Consignee name, address, city
 3. Waybill number and date
 4. Statement "Guarantee Not Met"
- D. Guarantee does not apply to:
1. Dangerous Goods.
 2. Delays caused by weather conditions; acts of God; perils of the air; public enemies; public authorities; authority of law; quarantine; riots; strikes; civil commotion; hazards or dangers incident to a state of war; or other causes beyond AGS' control.
 3. Delays caused by the act or default of the shipper or consignee.
 4. Shipments between the continental U.S. and Alaska, Hawaii, Canada or Puerto Rico.
 5. Shipments between Alaska, Hawaii, Canada and Puerto Rico.

Service Standards

- A. Service between communities in the continental U.S.
1. Overnight Service shipments will be delivered on the next business day and Second Day Service shipments will be delivered on the second business day between all communities shown in this Guide.
- B. Service between communities in Alaska and Hawaii and communities in the continental U.S.
1. Overnight Service shipments will be delivered on the second business day and Second Day Service shipments on the third business day between communities in the continental U.S. and Alaska and Hawaii.
- C. Service between communities in Puerto Rico and communities in the continental U.S.
1. Overnight service shipments will be delivered on the next business day or second business day and Second Day Service shipments will be delivered on the second or third business day between all communities in the continental U.S. and Puerto Rico.
- D. When an Overnight Service and Second Day Service shipment because of size, weight, shape or contents cannot be accommodated on an aircraft, and must be re-routed by surface transportation for part or all of its movement, delivery may require an additional day. Overnight rates will apply on a re-routed shipment delivered on the second business day, and Second Day rates will apply on a re-routed shipment delivered on the third day.
- E. Overnight Service and Second Day Service shipments must be ready for pickup by 6:00 p.m. and called into an AGS office for pickup prior to 3:00 p.m. Shipments that are ready after 6:00 p.m. and called in to an AGS office after 3:00 p.m. may require an additional day for delivery.
- F. The delivery standard on a Same Day Shipment will be the time and date quoted by AGS, based on the time the shipment is ready for pickup. Because of the shipment size, weight, shape, destination and ready time, a Same Day shipment may be delivered on the same day it was picked up, the next business day or the second business day. Same Day Service rates will apply when the shipment was delivered on or before the time quoted by AGS prior to the pickup.

- G. Delivery standards on shipments between the U.S. and Canada will vary based on commodity, weight, flight scheduling and customs clearance. Contact your local AGS office or our National Center at 800-645-8300 for specific service standards on your shipment. To expedite a delivery a customer can request a private routing on a shipment to Canada.

Shipments Subject to Advance Arrangements

The following will be accepted for carriage only upon advance arrangements and only when such advance arrangements have been satisfactorily completed:

- A. Shipments of live animals comprised of or containing cats, dogs, guinea pigs, mice, monkeys, rabbits, hamsters and rats will be accepted for transportation only when such animals are harmless, inoffensive, odorless and require no attention in transit, subject to the following provisions:
1. Such shipments must be boxed or crated so as to prevent escape, insure safe transportation with ordinary care in handling and assure protection to any person handling the shipment.
 2. All laws, ordinances or government rules and regulations governing the transportation of live animals must be complied with by shipper.
 3. AGS assumes no liability for the conduct or acts of the animals to themselves or to each other, such as biting, kicking, goring or smothering, nor for loss or damage arising from delay or from the condition of the animals themselves, or which results from their nature or propensities.
- B. Any shipments having a declared value or COD amount exceeding \$5,000.00.
- C. Shipments containing pieces in excess of 125 inches in length or 88 inches in width, over 79 inches in height or 192 inches in girth.
- D. Shipments with pieces in excess of 500 pounds.

Shipments Subject to Delay

The following conditions may delay delivery of the shipment to the consignee:

- A. If the dimensions of the shipment are too large for available aircraft.
- B. If the length of the shipments exceeds 120 inches (10 feet).
- C. Dangerous Goods shipments that are improperly packaged or lack proper documentation.
- D. Shipments that do not enter the AGS system in time to meet the critical departure time of aircraft, or critical processing.
- E. Improperly packaged shipments that have to be repackaged by AGS or turned back to the shipper for repackaging.
- F. Force majeure that causes delays.
- G. Shipments tendered to AGS by beyond carriers that do not enter the AGS system in time to meet critical departure times of aircraft, or critical processing.

Shipments Subject to Special Conditions

- A. 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.
- B. Furs and items of extraordinary value must not be included in the same shipment with any other article.

Signature Security Service

- A. At the request of the shipper, AGS will handle shipments under Signature Security Service from the time of acceptance from shipper at origin to the time of delivery to consignee at destination.
- B. Signature Security Service shall mean that each employee or agent of AGS shall execute a signed receipt upon accepting custody of the shipment and shall obtain a signed receipt upon relinquishing custody of such shipment to another employee or agent of AGS. On shipments tendered on behalf of the Department of Defense requesting Signature Security Service, AGS will use the DD Form 1907 issued by the shipper as a signature and tally record.
- C. Waybills, Government Bills of Lading, or other shipping documents presented to AGS must have the statement, "Signature Service Requested" entered by the shipper.
- D. A charge of \$100.00/\$10.00 per 100 pounds per shipment will be assessed for Signature Security Service in addition to all other applicable charges.

Special Pickup and Delivery Service

- A. On request, AGS will perform a special pickup at a shipper’s door by dispatching or rerouting an exclusive vehicle that will deliver a shipment directly to the airport to connect with the earliest possible flight.
- B. On request, AGS will perform a special delivery to a consignee’s door by dispatching or rerouting an exclusive vehicle that will deliver directly from the airport.
- C. Shipments that require a premium or emergency routing must be rated in accordance with the AGS Same Day Service charges. Special pickup and/or delivery charges shown below will apply on Area C and beyond.
- D. The charge per shipment for Special Pickup and Delivery Services shown below apply in addition to regular charges shown in the Guide.

- 1. From 8:00 a.m. through 7:00 p.m. Monday through Friday

<u>Terminal Delivery Area</u>	<u>Pickup or Delivery Minimum Charge</u>	<u>Pickup or Delivery Rate Per 100 Pounds</u>
A	\$55.00	\$10.50
B	\$60.00	\$11.00
C	\$65.00	\$11.50
D	\$70.00	\$12.00
E	\$75.00	\$12.50
F	\$95.00	\$13.50
G & higher	Cost plus 25%	Cost plus 25%

- 2. From 7:01 p.m. through 7:59 a.m. Monday through Friday and from 7:01 p.m. Friday through noon Saturday.

<u>Terminal Delivery Area</u>	<u>Pickup or Delivery Minimum Charge</u>	<u>Pickup or Delivery Rate Per 100 Pounds</u>
A	\$ 75.00	\$ 14.00
B	\$ 80.00	\$ 15.00
C	\$ 85.00	\$ 16.00
D	\$ 90.00	\$ 17.00
E	\$100.00	\$ 18.00
F	\$115.00	\$ 19.00
G & higher	Cost plus 25%	Cost plus 25%

3. From 12:01 p.m. Saturday through 7:50 a.m. Monday and on Holidays

<u>Terminal Delivery Area</u>	<u>Pickup or Delivery Minimum Charge</u>	<u>Pickup or Delivery Rate Per 100 Pounds</u>
A	\$105.00	\$ 18.00
B	\$110.00	\$ 19.00
C	\$115.00	\$ 20.00
D	\$120.00	\$ 21.00
E	\$130.00	\$ 22.00
F	\$145.00	\$ 23.00
G & higher	Cost plus 25%	Cost plus 25%

- E. Charges for special pickup and delivery performed at cities in this Service Guide with a G or higher service code classification will be rated based on the total cost incurred by AGS in performing the special plus a 25% surcharge.
- F. Charges for Special Pickup and Delivery Service performed at cities not shown in this Guide will be rated based on the total cost incurred by AGS in performing the Special plus a 25% surcharge.
- I. Two Man Delivery applies on shipments with one or more pieces weighing more than 150 pounds to a location without an unloading dock for a fee of \$32.00 per hour for the second man in 30 minute intervals.

Storage

- A. Shipments will be held by AGS at destination without charge for three (3) calendar days (excluding Saturday, Sundays and Legal Holidays), computed from the first 8:00 a.m. following notification to the consignee of the arrival of the shipment.

Exception:

Storage charges will not be assessed on shipments lacking proper documentation when advance arrangements have been made with AGS by the shipper or the shipper’s agent.

- B. After the expiration of such free time, AGS will continue to hold such shipments for the shipper and consignee, subject to a charge of \$0.50 per day per 100 pounds or any fraction thereof, subject to a minimum charge of \$10.00 per shipment per calendar week. If such continued holding is not practical, AGS will place the shipment 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 handling charges of \$0.40 per 100 pounds or any fraction thereof, minimum charge of \$10.00 per shipment.
- C. When the shipment is held by AGS after the expiration date of such free time, AGS’ liability shall be reduced to that of a warehouseman, and when the shipment is placed in a public warehouse, AGS’ liability for the shipment will terminate.
- D. 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, AGS will return the shipment or part of the shipment, to the shipper at the shipper’s expense, subject to a lien for all charges applicable to the shipment or part of thereof.
- E. The provisions of AGS’s lien shall apply to all shipments which are stored pursuant to this rule.
- F. Calendar week means a period of seven (7) successive calendar days, including Saturdays, Sundays and legal holidays.

Sunday Pickup and Delivery Service.

Sunday Pickup and Delivery Service would receive charges shown under Special Pickup and Delivery.

Valuation Charges

- A. Except as provided in Paragraph C and D below, the declared value of a shipment shall be the highest of the following:
 - 1. The value declared by the shipper on the waybill or other shipping document up to AGS limits, or
 - 2. Fifty dollars, or
 - 3. The weight of the shipment in pounds multiplied by \$0.50.
- B. If the value declared by the shipper is the highest of the three amounts shown above, an additional transportation charge of \$.95 will be assessed for each \$100.00 or fraction thereof, by which such value exceeds \$.50 per pound or \$50.00, whichever of the two is higher.
- C. In the case of shipments destined to points in Canada or other international air destinations, the declared value of a shipment shall be the value for carriage declared by the shipper on the Shipper's Letter of Instructions or other shipping documents. In the absence of such declaration of value by the shipper, the declared value shall be \$9.07 for each pound of the shipment. For shipments having a declared value for carriage of \$9.07 per pound or less, transportation charges will be solely on a weight or volume basis. For shipments having a declared value for carriage of more than \$9.07 per pound, transportation charges will be on a weight or volume basis, plus a valuation charge of \$.95 per \$100.00 or fraction thereof, by which such value exceeds \$9.07 per pound, subject to a minimum charge of \$50.00.
- D. In the absence of a declaration of value by the shipper on C.O.D. shipments, the declared value shall be deemed to be the C.O.D. amount to be collected, unless said C.O.D. amount is less than what the declared value would have been if the shipment were not a C.O.D. shipment.
- E. Except as otherwise stated herein, the weight used to determine the declared value of a shipment shall be the same as that which is used to determine the transportation charge of such a shipment.

Waiting Time Charges

When vehicles are held for loading or unloading, a charge at the rate of \$35.00 per hour, per vehicle, will be made for all time in excess of 30 minutes. Charges based on time will be computed by multiplying the hourly rate by the time involved. Unless otherwise provided, fractions of an hour will be disposed of as follows:

- 1. Where the time involved is 30 minutes or less, the charge will be one-third of an hour;
- 2. When in excess of 30 minutes but not more than 40 minutes, the charge will be for two-thirds of an hour;
- 3. When in excess of 40 minutes but not more than one hour, the charge will be for one hour.