

**STANDARD CONDITIONS OF CARRIAGE
FOR DOCUMENT COURIER SERVICE and SMALL PARCEL EXPRESS SERVICE**

APPLICATION OF CONDITIONS

This Standard Conditions of Carriage for Document Courier Service and Small Parcel Express Service (the "Conditions") shall apply to any shipment of documents or small parcels by air tendered by the shipper to SG SAGAWA USA,INC. (hereinafter referred to as "SGU") upon the delivery of the shipment by the shipper to SGU or the pick-up of the shipment by SGU at a designated place by the shipper.

NON-NEGOTIABLE INSTRUMENT

Air bills prepared by the shipper or by SGU on behalf of the shipper is non-negotiable.

CUSTOMS, EXPORTS AND IMPORTS

SGU shall have its sole discretion to select the means of shipment and be entitled to perform any of the following activities on behalf of and at the cost of the shipper or the consignee as the case may be:

- a) Complete, amend or replace any document to the extent applicable laws and regulations may allow, and pay any duties or taxes required under applicable laws and regulations; and
- b) Act as the shipper's forwarding agent for customs and export control purpose, and act as the consignee solely for the purpose of appointing a customs broker to perform customs clearance and entry.

INSPECTIONS

SGU reserves the right to open and inspect any shipment without any notice to the shipper (i) in order to meet the requirements of Transportation Security Administration, (ii) where SGU may be required by authorities, or (iii) where SGU deems it necessary to ensure that such shipment is not in violation of any of the Conditions and applicable laws and regulations.

UNACCEPTABLE ITEMS

Unless otherwise agreed by the shipper and SGU, none of the following items are acceptable to SGU:

- a) Any hazardous material, dangerous goods, prohibited or restricted articles designated by IATA (International Air Transport Association), by ICAO (International Civil Aviation Organization), or any other governmental and regulatory bodies;
- b) Undeclared goods under applicable customs regulations; or

c) Valuable goods, illegal items or any other goods which SGU believes that it may not be able to transport safely or legally, including, but not limited to, currency, stamps, securities and negotiable instruments, fine art, jewelry, precious stones and metals, bullion, firearms, explosives, human remains, perishables, illegal narcotics or drugs, animals, plants and pornography.

DELIVERY POINT

No shipment can be delivered to PO boxes. Shipments are delivered to the consignee's address designated by the shipper but not necessarily to the named consignee personally.

SGU'S LIABILITY

In no event shall SGU be liable for any indirect or consequential loss or damage, including, but not limited to, lost profit or income, any accrued interest or loss of future businesses. SGU's liability shall be limited to the actual cash value of the goods lost or damaged and shall not exceed US\$100.00 (ONE HUNDRED US DOLLARS).

FOURCE MAJEURE

SGU shall not be liable for any loss or damage in connection with the circumstance beyond SGU's control, including, but not limited to, earthquake, cyclone, storm, flood, fog, war, plane crash, embargo, riots, strikes, or other local disputes, hazards incident to a state of war; any act or omission by a person not employed or contracted by SGU such as a shipper, a consignee, a third party, customs or other government officials, defect or nature of the goods shipped no matter of SGU's knowledge thereof, magnetic damage to, or erasure of, electrical or photographic images, data or recordings.

DELAYED SHIPMENTS

SGU shall make every reasonable effort to pick-up and to deliver the shipment in accordance with SGU's regular pick-up and delivery schedules, but these are not guaranteed. SGU shall not be liable for any delay of delivery.

CLAIMS

Any claim by a shipper against SGU must be submitted in writing within 30 days from the date that SGU accepted the shipment. No claim may be made against SGU after the said 30 days. Claims in terms of loss or damage are limited to one claim per shipment, the settlement of which will be the final and conclusive settlement for all loss or damage in connection therewith.

INSURANCE

Insurance may be purchased from SGU at the shipper's cost for the actual cash value in excess of US\$100.00 (ONE HUNDRED US DOLLARS), provided that it does not cover any loss or damage caused indirectly or by delay.

SHIPPER'S WARRANTIES AND LIABILITY

The shipper warrants and represents that:

- 1) Any information provided for the shipment by the shipper or any of its representatives is complete and accurate;
- 2) The shipment is properly marked, addressed and packed to ensure safe transportation with ordinary care in handling; and
- 3) All applicable customs, import, export and other laws and regulations have been complied with.

The shipper shall be liable to SGU for any loss or damage caused by any breach of the shipper's warranties and representations above or in connection with the shipper's failure to comply with any applicable laws or regulations.

GOVERNING LAW AND JURISDICTION

The Conditions shall be governed by the laws of the State of California. Any dispute arising out or in connection with the Conditions shall be referred to and finally resolved by arbitration in accordance with the International Arbitration Rules of the International Centre for Dispute Resolution. The place of arbitration shall be in the city of Los Angeles.