



GLOBAL TRANSPORTATION SERVICES, INC

RULES AND REGULATIONS PUBLICATION

APPLYING ON FREIGHT ALL KINDS BETWEEN ALL POINTS, INCLUDING, BUT NOT LIMITED TO, ALL SHIPMENTS MOVING IN DOMESTIC GROUND TRANSPORTATION OR DOMESTIC OR INTERNATIONAL AIR FREIGHT SERVICE, AND OTHER SERVICE AS APPROPRIATE TO EACH MODE OF TRANSPORTATION.

ISSUED June 16, 2004

REVISED August, 2008

Global Transportation Services, Inc
1930 Sixth Ave South, Suite 401
Seattle, WA 98134

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NOTE: The headings used in this Index are for the convenience of the parties only and do not in any way limit or modify any of the terms and conditions of Global Transportation Services, Inc Rules and Regulations Publication.

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General Terms and Conditions 100 – 199

Item 100 - Tendering of Shipments

In tendering shipments to Global Transportation Services, Inc, the shipper agrees to all Terms and Conditions set forth in this Rules and Regulations Publication, which no agent or employee of the parties may unilaterally alter, provided however, the parties may mutually alter the terms in writing. Certain of these terms and conditions may be set forth in Global Transportation Services, Inc's waybill or bill of lading. The term "waybill or "bill of lading," as used herein, shall also include a shipper's letter of instruction (SLI) on international shipments. Every Global Transportation Services, Inc waybill, bill of lading, or SLI, as appropriate, is non-negotiable and has been prepared by the shipper. In every instance, the shipper certifies and represents to Global Transportation Services, Inc that the information inserted on the face of a Global Transportation Services, Inc waybill, bill of lading, or SLI, as appropriate, is complete and accurate. Unless Global Transportation Services, Inc and the Shipper have mutually agreed in writing, signed by authorized representatives of both parties prior to the time the shipment is accepted, to vary the terms of this publication, the terms and conditions of this rules and regulations publication supersede and negate any claimed, alleged or asserted oral or written contract, promises, representation or understanding between Global Transportation Services, Inc, on the one hand, and any other party, on the other hand, with respect to any shipment. These terms and conditions constitute the rules and regulations publication of Global Transportation Services, Inc. NOTE: "Shipper" as used on a Global Transportation Services, Inc waybill, bill of lading, or SLI, as appropriate, or in this publication, means the party from whom the shipment is received, the party who requested the shipment be transported by **Global Transportation Services, Inc**, any party having an interest in the shipment, and any party who acts as an agent for any of the above including any third-party that is responsible for payment of the freight charges, in whole or in part.

End of Item 100

Item 110 - Bills of Lading

In the event any shipment is tendered to Global Transportation Services, Inc on a HBL, Straight Bill of Lading, HWB, or HAWB, or any other shipping document, these terms and conditions will supersede any rules and regulations contained on the shipping document on which the freight was tendered to Global Transportation Services, Inc. These terms and conditions shall extend to shipments via air, via ground, or via water where Global Transportation Services, Inc is not acting as an NVOCC. **End of Item 110**

Item 120 - Substitution of Carriers

Global Transportation Services, Inc shall have the right to a) substitute alternate carriers or other means of transportation and b) select the routing or deviate from that shown on the face of any waybill, bill of lading, or SLI, as appropriate, including any waybill, bill of lading or other shipping document received by Global Transportation Services, Inc. Should Global Transportation Services, Inc exercise any or all such rights as to any shipment, or part thereof, such does not change these terms and conditions as to such shipment or the negotiated rate on the shipment. **End of Item 120**

Item 130 - Inspections

All shipments are subject to inspection by Global Transportation Services, Inc, but in no event is Global Transportation Services, Inc obligated to perform such inspection. **End of Item 130**

Item 140- Provisions of Agreement

If any provision of these terms and conditions is held to be unlawful, invalid, or unenforceable under any present or future laws, such provision shall be fully severable, and the terms and conditions of this Rules and Regulations Publication shall then be construed and enforced as if such unlawful, invalid, or unenforceable provision had not been a part hereof. The remaining provisions of this Rules and Regulations Publication shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance therefrom. **End of Item 140**

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Rates (except rates for declared value protection), COD, Interest on Unpaid Invoices, Special Services and Surcharges 200 – 299

Item 200 – Rate Basis

Rates and charges on all shipments will be based on actual or dimensional weight, whichever is greater. **End of Item 200**

Item 210 - COD Amount in the event of no Declared Value

Unless inserted otherwise on the face of Global Transportation Services, Inc waybill or bill of lading, or SLI, as appropriate, the C.O.D. amount of any shipment shall be deemed to be the declared value for carriage amount. **End of Item 210**

Item 220 - COD Shipments

Collect on Delivery (COD) Service is provided under the following conditions: a) shipper must identify the shipment as a COD shipment by entering the amount to be collected in the “Shipper’s COD Box” on the front of Global Transportation Services, Inc waybill, bill of lading, or SLI, as appropriate, b) shipper must specify the type of payment to be received (e.g. company check, money order or cashier’s check) in the Shipper’s COD Box on the front of Global Transportation Services, Inc waybill, bill of lading, or SLI, as appropriate (cash is not an acceptable form of payment), c) Shipper must mark “COD” on each container or package, and d) shipper understands and agrees that Global Transportation Services, Inc is not responsible for the form of payment and does not guarantee nor verify that a check, money order, cashier’s check or other financial instrument is valid or negotiable. Payments are collected at shipper’s risk. **End of Item 220**

Item 230 - Receivables

All invoices not paid within customer’s terms calculated from invoice date will be subject to an interest charge of 1.5% per month. Interest will begin accruing after 30 days. **End of Item 230**

Item 240 - Fuel Surcharge

Global Transportation Services, Inc may assess a fuel surcharge on any shipment without notice. **End of Item 240**

Item 250 – Carrier’s Surcharges

Surcharges of Other Carriers: In the event any air or other carrier assesses any surcharge on a shipment, Global Transportation Services, Inc rates will be increased by that same amount. **End of Item 250**

Item 260 - Third Party Billing

1. When a party other than the consignor or consignee on the Bill of Lading and Shipping Order is responsible for paying the freight charges, the name and address of such third party must be placed on the Bill of Lading and Shipping Order by the consignor at time of shipment
2. When consignor requests carrier to bill a third party, the shipment must be prepaid and payment of charges guaranteed by the consignor if the third party fails to pay such charges within the time allowed under published credit regulations.
3. The execution of Section 7 of the Straight Bill of Lading by the consignor is not valid on shipments subject to the provisions of this item.

4. When shipment involves more than one carrier, it will be the responsibility of the originating carrier to effect collection from the third party. **End of Item 260**

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Global Transportation Services, Inc Right to Reject Shipments, Declared Value of Shipments, Declared Value Protection, and Additional Cost for Declared Value Protection 300 - 399

Item 300 - Declared Value

The shipper must declare the value for every shipment tendered to Global Transportation Services, Inc and pay an additional charge on the declared value or Global Transportation Services, Inc's liability for any shipment is limited, as set forth in this publication.

Global Transportation Services, Inc will not accept a Declared Value on any shipment unless specific written instruction from shipper providing the amount of protection requested has been received by Global Transportation Services, Inc in sufficient time prior to shipment from point of origin to secure additional protection. Declared Value protection will only be effective when accepted by such insurance companies and underwriters. Global Transportation Services, Inc does not undertake or warrant that such Declared Value protection can or will be placed. Declared Value protection is to be effected with one or more insurance companies or other underwriters to be selected by Global Transportation Services, Inc in its sole discretion. Declared Value protection provided by Global Transportation Services, Inc will be assessed at a rate of \$1.50 per \$100 of Declared Value unless otherwise agreed to in writing. Shipments must be packaged, as set forth in Item 900 for any claim to be valid. In the event shipper does not elect to declare the value of a shipment, Global Transportation Services, Inc liability for any losses, damages or delays to such shipment shall be limited in accordance with the provision of these Rules and Regulations. In no event shall payment exceed the actual invoice value of the goods adversely affected. The cost of Declared Value protection and the charge of Global Transportation Services, Inc for arranging the same shall be at shipper's expense. **End of Item 300**

Item 310 – Declared Value Settlement Valuation

Where Declared Value protection has been purchased, unless each piece of the shipment has a declared value stated and is specifically identified on the Global Transportation Services, Inc's waybill, bill of lading, or SLI, as appropriate, at the time of the shipment and is so identified on the delivery receipt as being lost, damaged, destroyed, or otherwise affected at time of delivery, the "average declared value" of the shipment shall be determined by first dividing the total declared value of the shipment by the total weight of the shipment. This figure, multiplied by the packaged weight of the piece(s) adversely affected, shall then establish the maximum amount of Global Transportation Services, Inc's liability. The total declared value amount must be inserted in the DECLARED VALUE box on the front of Global Transportation Services, Inc's waybill, bill of lading, or SLI, as appropriate. Global Transportation Services, Inc's liability shall in no event exceed the actual invoice value of the goods adversely affected. **End of Item 310**

Item 320 - Auxiliary Services

Shipper and consignee shall hold Global Transportation Services, Inc and its agents harmless for loss/damage/delay or any monetary losses which are a result of services including but not limited to local cartage, crating, uncrating, packing, and unpacking which are requested by the shipper or consignee and arranged by Global Transportation Services, Inc as a customer service unless such services are actually performed by Global Transportation Services, Inc or its agents. Such limitation of liability shall extend to the selection by Global Transportation Services, Inc of the providers of the auxiliary services. Auxiliary services are those which are performed prior or subsequent to transportation and which may be billed directly by the provider of the services or by Global Transportation Services, Inc. Any provider of auxiliary services is a contractor for the shipper or

consignee and not an agent for Global Transportation Services, Inc. NOTE: Under no circumstances will the liability of Global Transportation Services, Inc for any monetary loss which is a result of any auxiliary services performed by Global Transportation Services, Inc or its agents be greater than the liability contained in the terms and conditions of this Rules and Regulations Publication. **End of Item 320**

Item 330 - Special / Incidental Damages

Global Transportation Services, Inc SHALL NOT BE LIABLE IN ANY EVENT FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, INCOME, INTEREST, UTILITY OR LOSS OF MARKET, OR DELAY IN DELIVERY WHETHER OR NOT GLOBAL TRANSPORTATION SERVICES, INC HAD KNOWLEDGE THAT SUCH DAMAGES MIGHT BE INCURRED. **End of Item 330**

Item 340 - Shipper Load & Count

When a shipper loads freight onto a trailer without a representative of Global Transportation present to verify the count and condition of the freight, the Global Transportation's Driver or Carrier's Driver will sign for all bills as "SLC" (Shipper Load and Count). The failure to notate "SLC" on the Bill of Lading does not change the liabilities of either party if the shipper did in fact load the shipment without the Carrier present at pick up.

When carrier-supplied trailers or containers are loaded by shipper or shipper's agent, carrier will accept said shipment subject to "Shipper's Load and Count" and the bill of lading shall be so claused. Bills of lading so claused shall be governed by the following terms to which shipper and consignee agree in advance:

1. Carrier will not be held responsible either directly or indirectly for damages to cargo resulting from improper loading or mixing of articles in carrier's trailers or containers or any discrepancy in the count or damage to articles by shipper in said trailer or container.
2. Shipper agrees that no explosives, ammunition or hazardous cargo shall be loaded into trailers or containers supplied by carrier for loading by shipper.
3. Shipper shall furnish carrier with a list of contents showing a description of the goods loaded into carrier-supplied trailers or containers, together with cubic measurements and gross weight of cargo loaded by shipper. Carrier reserves the right to open and inspect the contents of the trailer or container. **End of Item 340**

Item 350 - Consignee Unload on Dropped Equipment

Any discrepancy on those shipments tendered as CONSIGNEE UNLOAD will be handled in the following manner unless a separate agreement is already established and signed in place: Carrier agrees to spot or drop trailers at Consignee's place of business for the purpose of Consignee to complete the unloading process within one (1) business day or otherwise agreed to in writing. Carrier will note CONSIGNEE UNLOAD AND COUNT, DROPPED, or the like on the delivery receipt, indicating that the Consignee unloaded and counted the shipments without Carrier's driver present. Carrier's failure to note CONSIGNEE UNLOAD AND COUNT, DROPPED or the like on the delivery receipts will not affect the liabilities of the parties, if the Consignee has in fact performed the counting and unloading without a representative from Carrier present. Carrier will provide sealed trailers with the Carrier's seal number documented for security purposes. Failure to seal a load will not affect the terms and conditions outlined in this item. Delivery receipts will be signed by the Consignee at the time the trailer is dropped for unloading, or if not operationally feasible, will be available to Carrier no more than one (1) business day after delivery. The Consignee agrees to notify Carrier by fax on a mutually approved form of any exceptions within one (1) business day of the trailer being dropped. Carrier shall not be liable for exceptions reported after one (1) business day of trailer being dropped. Notice of any exception is to be made to Global Transportation local CSR. Carrier shall not be liable for uncountable palletized orders, picked up and delivered with shrink wrap intact or for Shipper Load and Count orders that have been properly reported to the Shipper at first unloading. Carrier shall only be responsible for handling units as signed for and tendered by Shipper. Individual item numbers and purchase order shortages shall not be deemed shortages against Carrier when the handling unit count matches the amount signed for at time of Pickup, or as applicable, properly reported as received on a Shipper Load and Count trailer. Shipments tendered to the Consignee to be unloaded at their convenience are to be secured by the Consignee in a manner to prevent theft. Carrier will not be held responsible for stolen product while in the possession of the Consignee. It is the Consignee's responsibility to provide a properly reported discrepancy with dated fax confirmation for payment of the claim. The Consignee agrees not to file claims when discrepancies have not been properly reported. **End of Item 350**

Item 360 - Crating / Packaging Material

Global Transportation Services, Inc will not be held liable for damages to protective containers, crates or packaging material. **End of Item 360**

Item 370 - Excluded Commodities:

The following articles will not be accepted for carriage: live animals, flowers, plants, cotton, eggs, cash in transit, specie, securities and other negotiable papers, bulk products, jewelry and precious stones and metals, computer chips and other similar memory devices, mobile telephones and lap top computers. Global Transportation Services, Inc shall not be liable for any loss, damage, delay, liabilities or penalties resulting from the transportation of any of the foregoing articles, however described or misdescribed in this shipping document, and no employee or agent of Global Transportation Services, Inc has any authority to accept for transportation such articles or to waive the limitations in accordance with these terms and conditions. If for any reason the goods are held in warehouse, or elsewhere, the same will not be covered by any insurance, unless Global Transportation Services, Inc received written instructions from shipper and same is provided in accordance herein. Unless specifically agreed in writing by Global Transportation Services, Inc, Global Transportation Services, Inc assumes no responsibility to obtain Declared Value protection on any export or import shipment that it does not handle. **End of Item 370**

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Global Transportation Services, Inc - Limits of Liability 400 – 499

Item 400 - Maximum Liability

In the event any limitation of liability provision is held inapplicable or unenforceable, in that event, Global Transportation Services, Inc's liability for aggregate losses at any one time at any one place is limited to \$1,000,000.00. For shipments having declared values over \$25,000.00, Global Transportation Services, Inc must be given advance notice in writing prior to pick up.

In no event shall Global Transportation Services, Inc's liability on any shipment exceed the actual invoice value of the goods adversely affected. Declared values for carriage shall be subject to additional charges for the valuation declared. **End of Item 400**

Item 410 - Exclusions of Liability

Global Transportation Services, Inc shall not be liable for loss, damage, delay or monetary loss of any type caused by: Acts of God; public authorities acting with actual or apparent authority; strikes; labor disputes; weather; mechanical failures; aircraft failures; civil commotions; acts or omissions of customs or quarantine officials; the nature of the freight or any defects thereof; public enemies; hazards incident to a state of war; acts of terrorism; and by acts, defaults or omissions of the shipper or consignee for any reason, including the failure to observe the terms and conditions of the contract of carriage contained in these Rules and Regulations, and including but not limited to improper packaging, marking, incomplete/inaccurate shipping instructions and the rules relating to freight not acceptable for transportation or freight acceptable only under certain conditions outlined herein. Global Transportation Services, Inc reserves and does not waive any defense available to it in law or equity as to any particular shipment. **End of Item 410**

Item 420 – Limits of Liability - Straight Bill of Lading

1. Except as otherwise set forth in individual shipper contracts, in the event of loss and/or damage to any shipment, carrier's liability will not exceed \$5.00 per pound per package, subject to a maximum excess valuation of \$100,000.00 per conveyance or the released valuation established in this tariff or the current NMF 100. The lowest valuation will control. If shipper desires to tender a shipment requiring carrier liability in excess of \$5.00 per pound per package, then shipper must indicate in writing on bill of lading at time of shipment and pay carrier the total dollar amount of excess valuation required. In no event shall such prepaid Excess Valuation amount exceed \$5.00 per pound per package or \$100,000.00 per conveyance, whichever is less.

2. Articles not specified as a specific released value are subject to maximum Value Limitation of \$5.00 per pound per package subject to the following exceptions per commodity:

(a) Liability for loss, damage or destruction of used and reconditioned machinery excludes the risks of marring, denting, chipping and scratching and electrical/mechanical breakdown and derangement.

(b) Steel and Steel Products – insured excluding the risks of rust, oxidation and discoloration, crimping on steel coils and sheets and., bending, twisting and end damage to pipe

3. On shipments handled by Global in connection with another carrier, Global's maximum liability in the event of loss or damage will in no case exceed the maximum liability of the other carrier.

FOR EXAMPLE: If the other carrier's maximum liability is \$.50 per pound per package, the maximum carrier liability of the other carrier and Global will be \$.50 per pound per package.

4. If the shipper does not properly describe the freight on the Bill of Lading or uses a description of "FAK" or "Freight All Kinds" or other language that does not properly identify the commodities shipped, subsequent claims for shortage or damage will be based on the lowest value of any commodity contained in the shipment.

5. Liability for loss, damage or destruction of property being returned to the original shipper, which was not initially transported by Global from the original shipper, will be limited to lost freight only and Global will not be responsible for damages. **End of Item 420**

Item 430 - Limits of Liability – HAWB / HWB

1. Global Transportation Services, Inc's liability for shipments moving with HAWB / HWB is limited to the greater of \$50.00 per shipment or \$0.50 per pound of cargo actually lost, damaged, misdelivered or otherwise adversely affected, unless a higher value is declared, and additional protection is purchased, and additional charges paid to Global Transportation Services, Inc as set forth in these rules and regulations.

2. Articles not specified as a specific released value are subject to maximum Value Limitation of \$.50 per pound subject to the following exceptions per commodity:

(a) Liability for loss, damage or destruction of used and reconditioned machinery excludes the risks of marring, denting, chipping and scratching and electrical/mechanical breakdown and derangement.

(b) Steel and Steel Products – insured excluding the risks of rust, oxidation and discoloration, crimping on steel coils and sheets and., bending, twisting and end damage to pipe

3. On shipments handled by Global in connection with another carrier, Global's maximum liability in the event of loss or damage will in no case exceed the maximum liability of the other carrier. FOR EXAMPLE: If the other carrier's maximum liability is \$.10 per pound per package, the maximum carrier liability of the other carrier and Global will be \$.10 per pound per package.

4. If the shipper does not properly describe the freight on the Bill of Lading or uses a description of "FAK" or "Freight All Kinds" or other language that does not properly identify the commodities shipped, subsequent claims for shortage or damage will be based on the lowest value of any commodity contained in the shipment.

5. Liability for loss, damage or destruction of property being returned to the original shipper, which was not initially transported by Global from the original shipper, will be limited to lost freight only and Global will not be responsible for damages. **End of Item 430**

Item 440 - Limit of liability – International Air

On any International Air shipment, a) all rules relating to liability as established by the Warsaw Convention or the Montreal Convention shall apply, b) In carriage to which the Warsaw Convention or Montreal Convention does not apply, Global Transportation Services, Inc's liability shall not be less than the per kilogram monetary limit set out in Global Transportation Service's tariffs or General Conditions of carriage for cargo lost, damaged or delayed, provided that any such limitation of liability in an amount less than 17 SDR per kilogram will not apply for carriage to or from the United States, c)Global Transportation Services, Inc will accept a Global Transportation Services, Inc's waybill or bill of lading as a shipper's letter of instructions with authorization to prepare and sign on shipper's behalf an international shipping document, d)Global

Transportation Services, Inc reserves the option to act as agent of the air carrier, instead of as Global Transportation Services, Inc, in which event the direct air carrier's tariffs shall apply to the shipment tendered to Global Transportation Services, Inc and Global Transportation Services, Inc's liability, if any, shall not extend beyond when the shipment is tendered to the air carrier and e) the shipper may select, by inserting on the face of the shipping document, cargo coverage based on the declared value for carriage or insurance coverage as may be available at the time of shipment. **End of Item 440**

Item 450 - Limits of liability – International Ocean

In case of any loss of damage to or in connection with Goods exceeding in actual value the equivalent of \$500.00 lawful money of the United States, per package, or in case of Goods not shipped in packages, per shipping unit, the value of the Goods shall be deemed to be \$500.00 per package or per shipping unit. The Carrier's liability, if any, shall be determined on the basis of a value or \$500.00 per package or per shipping unit or pro rata in case of partial loss or damage, unless the nature of the Goods and a valuation higher than \$500.00 per package or per shipping unit shall have been declared by the shipper before shipment and inserted on the Bill of Lading. In such case, if the actual value of the Goods per package or per shipping unit shall exceed such declared value, the value shall nevertheless be deemed to be declared value and the Carrier's liability, if any, shall not exceed the declared value and any partial loss or damage shall be adjusted pro rata on the basis of such declared value. The words "shipping unit" shall mean each physical unit or piece of cargo not shipped in a package, including articles or things of any description whatsoever, except goods shipped in bulk, and irrespective of the weight or measurement unit employed in calculating freight charges.

Where containers, vans, trailers, transportable tanks, flats, palletized units and other such packages are not packed by the Carrier, each individual such container, van, trailer, transportable tank, palletized unit and other such package including in each instance its contents, shall be deemed a single package and Carrier's liability limited to \$500.00 with respect to each such package. **End of Item 450**

Item 460 – Limits of Liability – Commodity Specific

Global Transportation's limitation of liability for professionally crated household goods will be .10/lb, regardless of the mode of transportation. Shipments must be properly packaged as per article 900.

End of Item 460

Item 470 - Limits of Liability Mexico

With respect to any shipment originating outside of Mexico with ultimate destination in Mexico, or originating in Mexico with ultimate destination outside Mexico, Global Transportation Services shall have no liability either for itself or for any Mexican Carrier involved in the move, for loss, damage or delay which occurs within Mexico, or while in the possession of the designated customs broker, freight forwarder, drayage company, etc. Global Transportation shall have full, actual or released value liability, but not to exceed \$5.00 per pound per package, or \$100,000.00 per shipment, whichever is lower, or any shipment moving within the United States and in Global Transportation's possession. There will be no carrier coverage between Republic of Mexico origin/destination(s), and the U.S. broker. **End of Item 470**

ISSUED June 16, 2004

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Cargo Claims 500 – 599

Item 500 - Condition of Goods Received

At time of delivery, the consignee must note on the delivery receipt any exceptions to the shipping containers that would indicate a discrepancy (shortage in the shipment or damage to the containers). The consignee may not inspect the contents of the shipping containers until the consignee signs for the shipment on the delivery receipt. NOTE: Such notations as “subject to inspection” and “subject to recount” are not exceptions. NOTE: A shipment in which delivery is made in exchange for a clear delivery receipt shall be prima facie evidence of having received ordinary care in handling and being delivered in good condition.

For all claims, Global Transportation Services, Inc must be allowed the privilege to inspect the shipment on which a claim has been filed and the container(s) and packaging material(s) at place of delivery. **End of Item 500**

Item 510 - Time Limits for Filing

1. As a condition precedent to recovery, claims for loss and/or damage of domestic surface moves must be filed in writing within nine (9) months after delivery of the property; or in case of concealed damage, within 15 days of delivery; in the case of failure to make delivery, within nine months after carrier’s normal transit time for the shipment in question has elapsed.
2. As a condition precedent to recovery, claims for loss and/or damage or failure to deliver of domestic air moves must be filed in writing within 9 months and 9 days of shipping date; in the case of concealed damage, within 15 days of delivery;
3. As a condition precedent to recovery, claims for loss and/or damage of international air moves must be filed in writing within 14 days after delivery of the property; or in case of failure to make delivery, then within 120 days from the issue date of the AWB.
4. As a condition precedent to recovery, claims for loss and/or damage of ocean shipments must be filed in writing within one year from delivery; in the case of concealed damage, report in writing within 3 days of delivery; or in case of failure to make delivery, then within 1 year from scheduled delivery.
5. Suits shall be instituted against carrier in writing only within one year for ocean shipments, and two years for any other mode of shipping from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim, or any part or parts thereof, specified in the notice.
6. Cargo claims cannot be offset against freight charges. Those are two separate and distinct transactions and one cannot be offset to satisfy the other. Also, payment of freight charges may not be postponed due to alleged loss or damage. A valid cargo claim will not be paid until freight charges are paid in full. After freight charges are paid, the portion applicable to the lost and/or damaged item(s) may be included in the freight claim.
7. The failure of a consignee to allow a driver to be at the back of the trailer to verify the count and condition of the shipment being received will cause a claim filed for loss or damage to be denied without recourse.
8. The failure of a claimant to act upon a written request for documentation, freight charge payment, claim amendment, salvage request or return a proof of loss statement within thirty (30) days from the date of written request will cause the claim to be denied and it shall not be reopened.

9. Carrier incorporates by reference the provisions of 49 C.F.R. 1005 as the minimum requirements for presentation and investigation of claims for loss and damage to freight and disposition of salvage. The presentation and handling of claims and salvage are also subject to the terms of the bill of lading and other provisions of this tariff.
10. Global Transportation will not pay administrative costs of fees, or interest charges associated with the processing of loss or damage claims.
11. Global Transportation will not pay labor charges over \$50.00 per hour associated with any loss or damage shipment.
12. Accepting or Refusing Loads - Consignee can not refuse a portion of a load/shipment for any reason including damage. They must accept the entire load or refuse the entire load. The consignee is generally in a better position to dispose of goods than the carrier, especially where the consignee is in the business of trading in the type of merchandise involved.
13. Blocking and Bracing - Shipments loaded on Global Transportation vehicles or subcontracted vehicles by shipper shall be properly secured and braced by the shipper. Global Transportation will not be liable for merchandise damaged due to improper securing, bracing, or blocking of cargo by consignor.
14. Shipper will advise Carrier disposition of any over merchandise that could or should be applied to a valid shortage. In the event of a Shipper caused shortage, the Shipper will allow Carrier to adjust the Bill of Lading accordingly to reflect actual piece count and weight.
15. Carrier will not accept liability for any loss or damage to product that has not been properly reported unless the loss or damage is one of the concealed nature. In this respect, any claim following will be settled based on the findings of the investigation. Carrier can be responsible for handling units only as applicable and to the extent that a piece count can be verified. Individual item numbers and P.O. shortages at delivery shall not be deemed as shortages against Carrier when the handling unit count matches the amount properly reported as received on the SL&C trailer. The Shipper agrees not to file claims when discrepancies have not been properly reported.
16. Global Transportation Services, Inc reserves and does not waive any and all defenses to any claim including those relating to the timing, manner, and method of its presentment.

End of Item 510

Item 520 - Overcharge Claims

Overcharge claims must be received in writing by Global Transportation Services, Inc within 180 days after date of acceptance of that shipment by Global Transportation Services, Inc. **End of Item 520**

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Shipper's Indemnification of Global Transportation Services, Inc, Global Transportation Services, Inc Lien on Shipments, Global Transportation Services, Inc's Rights as to any Shipment, Global Transportation Services, Inc's Rights to Costs and Attorney's Fees in the Event of Litigation, and Venue 700-799

Item 700 – Guaranteed Services

Global Transportation Services, Inc does not guarantee pick up, transportation or delivery by a stipulated date or a stipulated time, nor shall Global Transportation Services, Inc be liable for the consequences of failure to do so. **End of Item 700**

Item 710 - Lien on Shipments

Any person or entity that is a shipper as defined in Item 100, including without limitation the consignor and consignee, shall be liable jointly and severally for all unpaid charges payable on account of any shipment tendered to Global Transportation Services, Inc and will pay or indemnify Global Transportation Services, Inc for claims, fines, penalties, damages, costs (storage, handling, reconsignment, return of freight to shipper, etc.), or other sums which may be incurred by Global Transportation Services, Inc by reason of any violation of these Rules and Regulations or any other default of the shipper or consignee or their agents. Global Transportation Services, Inc shall have a lien on any goods shipped for failure to pay charges payable on account of any shipment tendered to it. Global Transportation Services, Inc may refuse to surrender possession of the goods until such charges are paid. Should Global Transportation Services, Inc bring legal action for the enforcement of the terms of any Global Transportation Services, Inc waybill, bill of lading or SLI, as appropriate, or these Rules and Regulations, or collection of any sums due and payable to Global Transportation Services, Inc, Global Transportation Services, Inc shall be entitled to its reasonable attorney fees and costs. In addition to, and not in lieu of any other rights of Global Transportation Services, Inc, in the event of non-payment, Global Transportation Services, Inc shall have the right, upon 30-days notice to the shipper and receiver at the addresses shown on Global Transportation Services, Inc's waybill, bill of lading, or SLI, as appropriate, to sell all or any part of the shipment at private or public sale to recover the charges due and owing to it, including associated costs and attorney's fees. **End of Item 710**

Item 720- Disposition of Goods

In the event of the failure or inability of the consignee to take delivery of any shipment, Global Transportation Services, Inc will notify shipper in writing at the address shown on the waybill, bill of lading or SLI, as appropriate, and request disposition instructions. If the shipper fails to provide disposition instructions within 30 days after the date of Global Transportation Services, Inc's notice, Global Transportation Services, Inc will return the shipment to the shipper at the shipper's expense. If the shipper fails to accept delivery of any shipment thus returned, Global Transportation Services, Inc may, upon 30 days written notice to the shipper and receiver as set forth in Item 710 above, dispose of the shipment at public or private sale and pay itself out of the proceeds to satisfy the transportation charges, and any other charges, owing on the shipment. No sale or disposal pursuant to this rule will discharge any liability or lien to any greater extent than the proceeds thereof. The shipper and the consignee and/or any other person or entity liable for the freight charges shall remain liable, jointly and severally, for any deficiency. **End of Item 720**

Item 730 – Arbitration of Disputes

In lieu of legal actions, any disputed claim for cargo loss and damage not greater than \$15,000, and on which any and all outstanding transportation charges on all shipments have been paid to Global Transportation Services, Inc, is to be settled through binding arbitration submitted to the Transportation Arbitration Board or the American Arbitration Association under its cargo claim arbitration program. An alternative arbitrator is to be selected by Global Transportation Services, Inc if the claim is unacceptable for arbitration by both the above arbitrators. Any arbitration proceeding will be held in Seattle, WA and all parties consent to this location. **End of Item 730**

Item 740 - Attorney's Fees

In the event that a carrier, other person or any governmental agency makes a claim or institutes legal action against Global Transportation Services, Inc for ocean or other freight, duties, fines, penalties, liquidated damages or other money due arising from a shipment of goods of shipper, shipper agrees to indemnify and hold harmless Global Transportation Services, Inc for any amount Global Transportation Services, Inc may be required to pay such carrier, other person or governmental agency together with reasonable expenses, including attorney fees, incurred by Global Transportation Services, Inc in connection with defending such claim or legal action and obtaining reimbursement from shipper. The confiscation or detention of the goods by any governmental authority shall not affect or diminish the liability of shipper to Global Transportation Services, Inc to pay all charges or other money due promptly on demand. **End of Item 740**

Item 750 – Court Venue

Other than matters properly submitted to binding arbitration under Item 730 above, should Global Transportation Services, Inc bring or in any way be involved in legal action for any reason whatsoever including, but not limited to, any action directly or indirectly related to arranging transportation, securing Declared Value protection, handling, loading or unloading of shipments or of collection of any sums due and payable to Global Transportation Services, Inc, Global Transportation Services, Inc shall be entitled to its reasonable attorney's fees and costs. It is further stipulated that the court venue, in the event of litigation, will be in the state or federal courts of King County, in the state of Washington. Any waybill, bill of lading, or SLI, as appropriate, is deemed entered into by shipper and Global Transportation Services, Inc in King County, Washington. **End of Item 750**

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Shipments are Subject to Security Checks and Controls 800-899

Item 800 – Security Controls

Any shipment tendered to Global Transportation Services, Inc is subject to security controls by carriers and, where appropriate, by government agencies. Copies of shipping documents will be retained on file for at least 30 days. **End of Item 800**

Item 810- Indirect Air Carrier Standard Security Program:

INDIRECT AIR CARRIER STANDARD SECURITY PROGRAM: Cargo items tendered for air transportation are subject to aviation security controls by air carriers and when appropriate, other government regulations. Copies of all relevant shipping documents showing the cargo's consignee, description, and other relevant data will be retained on file until the cargo completes its air transportation. **End of Item 810**

Shipper's Warranty as to Packaging and Preparation of Shipments for Transport 900 – 999

Item 900 - Shipper's packaging / declaration of goods

Shipper warrants that each package in any shipment tendered to Global Transportation Services, Inc will be properly and completely described on Global Transportation Services, Inc's waybill, bill of lading or SLI, as appropriate. Shipper also warrants that all shipments are properly marked, addressed, and are packaged adequately to protect the enclosed goods to insure safe transportation with ordinary care in handling, and except as noted, are in good order and condition. For articles shipped in unenclosed containers, Global Transportation Services, Inc shall not be liable for damage/loss unless mishandling and/or loss is evident and is so noted on the delivery receipt at time of delivery. NOTE: A shipment in which delivery is made in exchange for a clear delivery receipt shall be prima facie evidence of the shipment having received ordinary care in handling and being delivered in good condition. **End of Item 900**

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