

APPENDIX A
TERMS AND CONDITIONS OF SERVICE
(PLEASE READ CAREFULLY)

All shipments to, from and on behalf of the Customer, which shipments shall include acting as the forwarder, exporter, importer, sender, receiver, owner, consignor, consignee, transferor, or transferee of the Customer's shipment(s) of Goods, will be handled by ACCLERATED GLOBAL LOGISTICS, LLC. (the "Company") on the following terms and conditions:

1. Services by Third Parties. Unless the Company carries, stores, or otherwise physically handles the Goods and loss, damage, expense, or delay occurs during such activity, the Company assumes no liability as a carrier and is not to be held responsible for any loss, damage, expense, or delay to the Goods to be forwarded or imported except as provided in paragraph 8 and subject to the limitations of paragraph 9 below, but undertakes only to use reasonable care in the selection of earners, truckmen, lightermen, forwarders, custom brokers, agents, warehousemen, and others to whom it may entrust the Goods for transportation, cartage, handling and/or delivery and/or storage or otherwise. When the Company carries, stores, or otherwise physically handles the Goods, it does so subject to the limitation of liability set forth in paragraph 8 below unless a separate bill of lading, air waybill, or other contract of carriage is issued by the Company, in which event the terms thereof shall govern.

2. Liability Limitations of Third Parties. The Company is authorized to select and engage carriers, truckmen, lightermen, forwarders, customs brokers, agents, warehousemen, and others, as required to transport, store, deal with, and deliver the Goods, all of whom shall be considered as the agents of the Customer, and the Goods may be entrusted to such agencies subject to all conditions as to limitation of liability for loss, damage, expense, or delay and to all rules, regulations, requirements, and conditions whether printed, written, stamped, appearing in bills of lading, receipts or tariffs issued by such earners, truckmen, lightermen, forwarders, customs brokers, agents, warehouse-men, and others. The Company shall under no circumstances be liable for any loss, damage, expense, or delay to the Goods for any reason whatsoever when said Goods are in custody, possession, or control of third parties selected by the Company to forward, enter and clear, transport, or render other services with respect to such Goods.

3. Choosing Routes or Agents. Unless express instructions in writing are received from the Customer, the Company has complete freedom and discretion in choosing the means, route, and procedure to be followed in the handling and transportation and delivery of the Goods. Advice by the Company to the Customer that a particular person or firm has been selected to render services with respect to the Goods shall not be construed to mean that the Company warrants or represents that such person or firm will tender such services.

4. Quotations Not Binding. Quotations as to fees, rates of duty, freight charges, insurance premiums, or other charges given by the Company to the Customer are for informational purposes only and are subject to change without notice and shall not under any circumstances be binding upon the Company unless the Company in writing specifically undertakes the handling or transportation of the shipment at a specific rate.

5. Duty to Furnish Information. (a) On an import of Goods at a reasonable time prior to entering of the Goods for U.S. Customs, the Customer shall furnish to the Company invoices in proper form and other documents necessary or useful in the preparation of the U.S. Customs entry and also such further information as may be sufficient to establish, inter alia, the dutiable value, the classification, the country of origin, the genuineness of the Goods and any mark or symbol associated with it, the Customer's right to import and/or distribute the Goods, and the Good's admissibility pursuant to U.S. Law or regulation. If the Customer fails in a timely manner to furnish such information or documents, in whole or in part as may be required to complete U.S. Customs entry or comply with U.S. laws or regulations, or if the information or documents furnished are inaccurate or incomplete, the Company shall be obligated only to use its best judgment in connection with the shipment and in no instance shall be charged with knowledge by the Customer of the true circumstances to which such inaccurate, incomplete, or omitted information or document

pertains. When a bond is required by U.S. Customs to be given for the production of any document or the performance of any act, the Customer shall be deemed bound by the terms of the bond notwithstanding the fact that the bond has been executed by the Company as principal, if being understood that the Company entered into such undertaking at the instance and on behalf of the Customer, and the Customer shall indemnify and hold the Company harmless for the consequences of any breach of the terms of the bond; (b) On an export at a reasonable time prior to the exportation of the Goods the Customer shall furnish to the Company the commercial invoice in proper form and number, a proper consular declaration, weights, measures, values, and other information in the language of and as may be required by the laws and regulations of the U.S. and the country of destination of the Goods; (c) On an export of import the Company shall not in any way be responsible or liable for increased duty, penalty, fine, or expense unless caused by the negligence or other fault of the Company in which event its liability to the Customer shall be governed by the provisions of paragraphs 8 and 9 below. The Customer shall be bound by and warrants the accuracy of all invoices, documents, and information furnished to the Company by the Customer or its agent for export, entry, or other purposes and the Customer agrees to indemnify and hold harmless the Company against any increased duty, penalty, fine, or expense including attorneys' fees resulting from any inaccuracy, incomplete statement, omission, or any failure to make timely presentation, even if not due to any negligence of the Customer. The Customer shall also have a duty to immediately notify the Company, in writing, about any inaccuracy in the information the Customer provides to the Company or that accompanied by the Goods. The Customer's duty to notify Company hereunder shall also include oral notice whereupon the Customer believes written notification would be untimely for corrective action.

6. Declaring Higher Valuation. In as much as truckers, carriers, warehousemen, and others to who the Goods are entrusted usually limit their liability for loss or damage unless a higher value is declared and a charge based on such higher value is agreed to by said trucker, etc., the Company may receive specific written instructions from the Customer to pay such higher charge based on valuation and the truckers, etc., must accept such higher declared value; otherwise the valuation placed by the Customer on the Goods shall be considered solely for export or customs purposes and the Goods will be delivered to the truckers, etc. subject to the limitation of liability set forth herein in paragraphs 8 and 9 below with respect to any claim against the Company and subject to the provisions of paragraph 2 above.

7. Insurance. The Company will make reasonable efforts to effect marine, fire, theft, and other insurance upon the Goods only after specific written instructions have been received by the Company in sufficient time prior to shipment from point of origin and the Customer at the same time states specifically the kind and amount of insurance to be placed. The Company does not undertake or warrant that such insurance can or will be placed. Unless the Customer has its own open marine policy and instructs the Company to effect insurance under such policy, insurance is to be effected with one or more insurance companies or other underwriters to be selected by the Company. Any insurance placed shall be governed by the certificate or policy issued and will only be effective when accepted by such insurance companies or underwriters. Should an insurer dispute its liability for any reason, the insured shall have recourse against the insurer only, and the Company shall not be under any responsibility or liability in relation thereto, notwithstanding that the premium upon the policy may not be at the same rates as that charged or paid to the Company by the Customer, or that the Goods were insured under a policy in the name of the Company. Insurance premiums and the charge of the Company for arranging the same shall be at the Customer's expense. If for any reason the Goods are in a warehouse, or elsewhere,

the same will not be covered by any insurance, unless the Company receives written instructions from the Customer. Unless specifically agreed to in writing, the Company assumes no responsibility to effect insurance on any export or import of Goods which it does not handle.

8. Limitation of Liability for Loss, etc. (a) The Customer agrees that the Company shall only be liable for any loss, damage, expense, or delay to the Goods resulting from the negligence or other fault of the Company; such liability shall be limited to an amount equal to the lesser of fifty dollars (\$50.00) per entry or shipment or the fee(s) charged for the services, provided that in the case of partial loss, such amount will be adjusted pro rata (b) Where the Company issues its own bill of lading and receives freight charges as its compensation, Customer has the option of paying a special compensation and increasing the limit of the Company's liability up to the Good's actual value, however, such option must be exercised by written agreement, entered into prior to any covered transaction(s), setting forth the limit of the Company's liability and the compensation received; (c) In instances other than in (b) above, unless the Customer makes specific written arrangements with the Company to pay special compensation and declare a higher value and the Company agrees in writing, liability is limited to the amount set forth in (a) above; (d) Customer agrees that the Company shall in no event be liable for consequential, punitive, statutory, or special damages in excess of the monetary limit provided for above. Furthermore, the Company shall not in any circumstance be liable for incidental, consequential, or punitive damages or damages arising from loss of profit.

9. Presenting Claims. Company shall not be liable under paragraph 8 for any claims not presented to it in writing within ninety (90) days of either the date of loss or incident giving rise to the claim; no suit to recover for any claim or demand hereunder shall be maintained against the Company unless instituted within six (6) months after the presentation of said claim or such longer period provided for under statute(s) of the State having jurisdiction over the matter.

10. Advancing Money. The Company shall not be obliged to incur any expense, guarantee payment, or advance any money in connection with the importing, forwarding, transporting, insuring, storing, or cooperating of the Goods, unless the same is previously provided to the Company by the Customer on demand. The Company shall be under no obligation to advance freight charges, customs duties, or taxes on any shipment, nor shall any advance by the Company be construed as a waiver of the provisions hereof.

11. Indemnification. In the event that a carrier, other person or any governmental agency makes a claim or institutes legal action against the Company for ocean or other freight, duties, fines, penalties, liquidated damages, or other money due arising from the Goods, the Customer agrees to indemnify and hold harmless the Company for any amount the Company may be required to pay such carrier, other person, or governmental agency together with reasonable expenses, including attorneys' fees incurred by the Company in connection with defending such claim or legal action and obtaining reimbursement from the Customer. The confiscation or detention of the Goods by any governmental authority shall not affect or diminish the liability of the Customer to the Company to pay all charges or other money due promptly on demand.

12. C.O.D. Shipments. Goods received with Customer's or instructions from other persons to "Collect on Delivery" (C.O.D.) by drafts or otherwise, or to collect on any specified terms by time drafts or otherwise, are accepted by the Company only upon the express understanding that it will exercise reasonable care in the selection of a bank, correspondent, carrier, or agent to whom it will send such item for collection, and the Company will not be responsible for any act, omission, default suspension, insolvency, or want of care, negligence, or fault of such bank, correspondent, carrier, or agent, nor for any delay in remittance lost in exchange, or loss during transmission, or while in the course of collection.

13. General Lien on Any Property. The Company shall have a general lien on any and all property (and documents relating thereto) of the Customer in its possession, custody or control, or en route, for all claims

for charges, expenses, or advances incurred by the Company in connection with any Goods and if such claim remains unsatisfied for thirty (30) days after demand for its payment is made, the Company may sell at public auction or private sale, upon ten (10) days written notice sent registered mail to the Customer, the Goods, or so much thereof as may be necessary to satisfy such lien, and apply the net proceeds of such sale to the payment of the amount due the Company. Customer shall remain liable for any deficiency in the sale thereof, and any surplus from such sale shall be transmitted to the Customer.

14. Compensation of Company. The compensation of the Company for its services shall be included with and is in addition to the rates and charges of all carriers and other agencies selected by the Company to transport and deal with the Goods and such compensation shall be exclusive of any brokerage, commissions, dividends, other revenue received by the Company from carriers, insurers, and others in connection with the Goods. On ocean exports, upon request, the Company shall provide a detailed breakout of the components of all charges assessed and a true copy of each pertinent document relating to these charges. In any referral for collection or action against the Customer for monies due to the Company, upon recovery by the Company, the Customer shall pay the expenses of collection and/or litigation, including reasonable attorneys' fees.

15. No Responsibility for Governmental Requirements. It is the responsibility of the Customer to know and comply with the requirements of the U.S. Customs Service, the regulations of the U.S. Food and Drug Administration, and all other requirements including the regulations of federal, state, and/or local agencies pertaining to the Goods. The Company shall not be responsible for action taken or fines or penalties assessed by any governmental agency against the Goods because of the failure of the Customer to comply with the law or the requirements or regulations of any governmental agency or with a notification issued to the Customer by any such agency.

16. Indemnity Against Liability Arising From the Importation of Merchandise. The Customer agrees to indemnify and hold the Company harmless from any claims and/or liability arising from the importation of Goods which violates any federal, state, and/or other laws or regulations and further agrees to indemnify and hold the Company harmless against any and all liability, loss, damages, costs, claims, and/or expenses, including but not limited to attorneys' fees, which the Company may hereafter incur, suffer, or be required to pay by reason of claims by any government agency or private party. In the event that any action, suit, or proceeding is brought against the Company by any governmental agency or any private party, the Company shall give notice in writing to the Customer by mail at its address on file with the Company. Upon receipt of such notice, the Customer at its own expense shall defend against such action and take all steps as may be necessary or proper to prevent the obtaining of a judgment and/or order against the Company.

17. Loss, Damage, or Expense Due to Delay. Unless the services to be performed by the Company on behalf of the Customer are delayed by reason of the negligence or other fault of the Company, the Company shall not be responsible for any loss, damage, or expense incurred by the Customer because of such delay. In the event the Company is at fault, as aforesaid, the liability is limited in accordance with the provisions of paragraphs 8 and 9 above.

18. Construction of Terms and Venue. The foregoing terms and conditions shall be construed according to the laws of the State of Washington. Unless otherwise consented to in writing by the Company, no legal proceeding against the Company may be instituted by the Customer, its assigns, or subrogee except in King County, Washington. Any provision of this agreement which shall prove to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision, and all other provisions shall remain in full force and effect.

Approved by the National Customs Brokers & Forwarders Association of America, Inc. (Revised 6/94)