

UPS® TARIFF/TERMS AND CONDITIONS OF SERVICE FOR PACKAGE SHIPMENTS IN THE UNITED STATES

Effective January 2, 2012

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UPS® TARIFF/TERMS AND CONDITIONS OF SERVICE FOR PACKAGE SHIPMENTS IN THE UNITED STATES

Effective January 2, 2012

1. Introduction

The following contains the general terms and conditions of contract under which United Parcel Service® (“UPS”) is engaged in the transportation of packages itself and jointly through interchange with its affiliates via the services described below.

The UPS Tariff/Terms and Conditions of Service (“Terms”) are effective on the date set forth above and are subject to change without prior notice. The Terms are published periodically in printed form in the UPS Rate and Service Guide (“Service Guide”) and electronically on the UPS website (ups.com®). The most current and controlling version of the Terms is published at www.ups.com/terms and is available at all local UPS offices. In tendering a shipment for service, the shipper agrees that the version of the Terms and the effective Service Guide in effect at the time of shipping will apply to the shipment and its transportation.

The Terms apply to the following services:

- UPS Air Services
 - UPS Hundredweight Service® Air Services
 - UPS 3 Day Select®
 - UPS Hundredweight Service® UPS 3 Day Select®
 - UPS Ground
 - UPS Ground with Freight Pricing
 - UPS Hundredweight Service® Ground
 - UPS Returns® Services
- “UPS Air Services” includes:
- UPS Next Day Air® Early A.M.®
 - UPS Next Day Air®
 - UPS Next Day Air Saver®

-UPS 2nd Day Air A.M.®

-UPS 2nd Day Air®

“UPS Hundredweight Air Services” includes:

-UPS Hundredweight Service® UPS Next Day Air®

-UPS Hundredweight Service® UPS Next Day Air Saver®

-UPS Hundredweight Service® UPS 2nd Day Air A.M.®

-UPS Hundredweight Service® UPS 2nd Day Air®

The Terms apply to the following international services:

-UPS Worldwide Express Plus®

-UPS Worldwide Express NA1®

-UPS Worldwide Express®

-UPS Worldwide Saver®

-UPS Worldwide Expedited®

-UPS 3 Day Select® from Canada

-UPS Standard services

2. Terms Used

-Alaska and Hawaii Rates refer to the effective UPS Rates for packages and shipments originating in Alaska and Hawaii published in the effective Service Guide for Alaska and Hawaii, or Retail Rates established by UPS for the service selected by the shipper that apply to the shipper and the package, and are in effect at the time of shipping, plus any additional charges or rates for nonstandard service, additional or nonstandard usage, and any other additional charges referenced within the Terms or the Service Guide, or those applicable additional rates set out in any customized contracts.

–“**Business day**” means Monday through Friday except the following holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day (December 25), and New Year’s Eve.

–“**Charges**” means all applicable transportation and other charges including, but not limited to, all applicable accessorial charges, brokerage service fees, surcharges, additional handling charges and late payment fees.

–“**C.O.D.**” means for all purposes Collect on Delivery.

–“**Daily Rates**”, “**Standard List Rates**”, and “**Retail Rates**” refer to the effective UPS Rates for packages and shipments originating in the 48 contiguous United States established by UPS for the service selected by the shipper that apply to the shipper and the package, and are in effect at the time of shipping, plus any additional charges or rates for nonstandard service, or additional or nonstandard usage, and any other additional charges referenced within the Terms or the Service Guide, or those applicable additional rates set out in any customized contracts.

–“**Delivery**” shall be deemed to include, but not be limited to: delivery to the consignee or the consignee’s actual or apparent agent or representative, or pursuant to consignee’s instructions, delivery to the address or location specified in the UPS Shipping System, delivery to any person present at the address or location specified in the UPS Shipping System, delivery to a reasonable alternate address or location, delivery in accordance with trade custom or usage, delivery pursuant to UPS’s driver release procedures, delivery pursuant to UPS’s Shipper Release procedures, or delivery otherwise permitted under the Terms.

–“**Drop Shipment**” means any shipment tendered pursuant to a written agreement or prior arrangement between UPS and a specific shipper that permits the shipper to tender quantities of individual packages

directly to UPS at a UPS pre-approved designated location.

–“**Letter Rates**” refers to the UPS Rates applicable to shipments using UPS Express® Envelope or UPS Letter packaging containing correspondence, urgent documents, or electronic media, with an actual weight of eight (8) ounces or less. (“UPS Express® Envelope” and “UPS Letter” may be referred to interchangeably.)

–“**Package**” means any container and its contents, and includes Express Envelopes, as well as any article that may be handled without packaging if the handling thereof can be accomplished in a reasonably safe and practicable manner. Except in UPS Hundredweight Service, UPS Ground with Freight Pricing, and for international shipments, each package shall be considered a separate and distinct shipment.

–“**Perishable Commodity**” refers to a perishable commodity or a commodity requiring protection from heat or cold, including, but not limited to, live animals, foods, dry ice, flowers, biological materials.

–“**Receiver**” or “**Consignee**” refers to the party to whom the package is being sent.

–“**Residential**” refers to a location that is a home, including a business operating out of a home.

–“**Shipper**” refers to the party contracting with UPS for services.

–“**Shipment**” means one or more packages shipped internationally under a single UPS Waybill to one receiver. All packages shipped internationally covered under a single UPS Waybill shall be considered a single shipment.

–“**Third-Party Retailers**” means locations of The UPS Store®, UPS Authorized Shipping Outlet locations, and UPS Alliance Locations (located within Office Depot® and Staples® retail locations).

–“**UPS Automated Shipping System**” and “**Source Document.**” Source Document means a document provided by

UPS for the purpose of shipping a package via UPS. UPS Automated Shipping System means WorldShip[®], UPS CampusShip[®], UPS Internet Shipping, UPS Developer Kit, iShip[®], or an approved UPS Ready[®] solution that meets UPS requirements at the time of shipment. The term “UPS Automated Shipping System” and “Source Document,” individually or collectively, are sometimes referred to by the term “UPS Shipping System.”

–“**UPS Customer Center**” means a UPS facility where shippers may tender packages to UPS for transportation, and a consignee or other recipient may receive a package Delivery.

–“**UPS Rates**” refers collectively to Daily Rates, Standard List Rates, Retail Rates, Alaska and Hawaii Rates, Letter Rates, and Pak Rates.

–“**UPS Returns Services**” refers collectively to Authorized Return Services, Print Return Label, Electronic Return Label, and Print and Mail Return Label, 1 UPS Pickup Attempt, 3 UPS Pickup Attempts, UPS Returns[®] on the Web, , UPS Returns[®] Flexible Access, and UPS Returns[®] Exchange.

–“**UPS Smart Label™**” as defined here and described in the *UPS Guide to Labeling* includes but is not limited to MAXICODE, postal code bar code, current UPS Routing Code, appropriate UPS service level icon, and UPS 1Z tracking number bar code.

3. Commodities Handled and Restrictions on Service

UPS holds itself out to transport general commodities, as usually defined, subject to the following restrictions.

3.1 Items Not Accepted for Transportation

No service shall be rendered in the transportation of any of the prohibited articles listed in the applicable Service Guide or the Terms.

UPS does not accept for transportation, and shippers are prohibited from shipping:

–Articles of unusual value, which shall be deemed to include, but are not limited to:

- Any package with an actual value of more than \$50,000;
- Coins, cash, currency, bonds, postage stamps, money orders, and negotiable instruments (such as drafts, bills of exchange, or promissory notes, but excluding checks);
- Unset precious stones, and industrial diamonds;
- Any article that contains more than 50 percent by weight of gold or platinum, or any combination thereof in raw form including, but not limited to, bullion, bars, or scraps of these metals.

–Hazardous waste, defined as a solid waste that meets any of the criteria of the hazardous waste as described in 40 C.F.R. § 261.3;

–Human remains, fetal remains, human body parts, or components thereof;

–Common fireworks;

–Packages with an actual weight of more than 150 pounds, or packages that when measured to determine the billable weight exceed 108 inches in length, or exceed a total of 165 inches in length and girth [(2 x width) + (2 x height)] combined, or in the case of import shipments, exceed 130 inches in length and girth [(2 x width) + (2 x height)] combined. If found in the UPS system, they are subject to one or more of the following additional charges: Over Maximum Weight, Over Maximum Length, or Over Maximum Size.

–Packages presented for shipment at a Third-Party Retailer containing any hazardous materials requiring shipping papers, firearms, or ammunition;

–Packages tendered via UPS Returns[®] Services containing hazardous materials (except for Limited Quantity/Other Regulated Materials Shipments (“ORM-D”) Ground packages, as set forth below), or firearms, or requiring Delivery Confirmation Adult Signature Required service; and

–Any other items prohibited by the Service Guide, or ups.com[®].

Shippers are prohibited from shipping and UPS will not accept for transportation packages containing articles that UPS is not authorized to accept or that UPS states in the Terms that it will not accept, when such packages are presented for shipment at UPS Customer Centers, or any Third-Party Retailer.

UPS reserves the right, but is not required, to return to the shipper any package containing a prohibited article. Such return will be made solely at the shipper’s risk and expense.

3.2 Maximum Values

UPS does not accept for service packages with values as set forth below:

–Any package with an actual value of more than \$50,000;

–Packages with a value of more than \$5,000 shipped as a result of a request for service made through the internet;

–Domestic packages with a value of more than \$1000 returned via Print Return Label, Print and Mail Return Label, Electronic Return Label, or 1 UPS Pickup Attempt Return Services;

–International shipments with a value of more than \$1000 per package returned via UPS Print Return Label, UPS Print and Mail Return Label, Electronic Return Label, 1 UPS Pickup Attempt, or 3 UPS Pickup Attempt Return Services (including via UPS Returns on the Web) unless a UPS high-value shipment summary is obtained by the shipper or person tendering the package and signed by the driver upon tender of the shipment;

–International UPS Import Control shipments with a value of more than \$1000 per package unless a UPS high-value shipment summary is obtained by the shipper or person tendering the package and signed by the driver upon tender of the shipment;

–Packages with a value of \$1000 or more shipped via a Third-Party Retailer if such packages were previously manifested using a Source Document or UPS Automated Shipping System prior to drop off at the Third-Party Retailer;

–Packages with a value of more than \$500 shipped via a UPS Drop Box;

–Prepaid Letters with a value of more than \$100;

–Packages with a value of more than \$999 when Shipper Release is selected;

–Packages with a C.O.D. amount in excess of \$500 shipped via a UPS Drop Box;

–Packages shipped internationally containing jewelry (not including costume jewelry) having a value of more than \$500.

3.3 Prohibited by Law

No service shall be rendered by UPS in the transportation of any shipment that is prohibited by applicable law or regulation of any federal, state, provincial, or local government in the origin or destination country. It is the responsibility of the shipper to ensure that a shipment tendered to UPS, and any UPS Shipping System entry that the shipper prepares for that shipment, does not violate any federal, state, provincial, or local laws or regulations applicable to the shipment.

3.4 Alcoholic Beverages

Packages containing alcoholic beverages (wine, beer, or spirits) are accepted for transportation only as a contractual service and only from shippers who are licensed and authorized under applicable laws to ship alcoholic beverages. To receive service for packages containing alcoholic beverages, the shipper must enter into an

approved UPS agreement for the transportation of wine, beer, or spirits, as applicable. For all packages containing alcoholic beverages, the shipper must use Delivery Confirmation Adult Signature Required service requesting an adult signature for each package containing alcoholic beverages, and must affix a special UPS alcoholic beverages label to each package. For all U.S. inbound import shipments containing alcoholic beverages, the receiver must be licensed and authorized to receive the alcoholic beverages. UPS does not accept packages containing beer or spirits for delivery to a consumer. It is the responsibility of the shipper to ensure that a package tendered to UPS does not violate any federal, state, or local laws or regulations applicable to the package.

UPS reserves the right to dispose of any alcoholic beverages tendered for shipment which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse. UPS reserves the right to discontinue service to any shipper for, among other reasons, tendering a package containing alcoholic beverages that does not comply with all applicable laws or the Terms.

3.5 Biological Materials

UPS accepts packages containing "Biological Substance, Category B" as defined in 49 C.F.R. § 174.134, which are prepared in accordance with all aspects of 49 C.F.R. § 173.199.

Transportation of other biological materials is limited, must be prearranged, and will only be provided under the following conditions: the shipper has received prior written authorization from UPS for the specific package tendered; and the shipper requests service in accordance with the conditions set forth in the written authorization from UPS for the package tendered. Any package containing biological materials shall be considered a Perishable Commodity.

3.6 Firearms and Ammunition

UPS accepts packages containing firearms (as defined by Title 18, Chapter 44, and Title 26, Chapter 53 of the United States Code) only (a) between licensed importers, licensed manufacturers, licensed dealers, and licensed collectors (as defined in Title 18, Chapter 44 of the United States Code), and government agencies; and (b) where not otherwise prohibited by federal, state, or local law from (i) an individual to a licensed importer, licensed manufacturer, licensed dealer or licensed collector; and (ii) from a licensed importer, licensed manufacturer, licensed dealer, or licensed collector to an individual. The shipper shall comply with and shall ensure that each shipment containing firearms complies with all federal, state, and local laws applicable to the shipper, recipient, and package.

–The shipper must use Delivery Confirmation Adult Signature Required service for each package containing a firearm (including handguns). UPS, in its sole discretion, may require the shipper to select a UPS Next Day Air[®] Service for any package containing a firearm. Handguns (as defined by 18 U.S.C. § 921) will be accepted for transportation only via UPS Next Day Air Services.

–Firearms (including handguns) are not accepted for transportation via UPS Drop Boxes or UPS Internet Shipping, in response to a request for UPS On-Call Pickup[®] service, or when presented for shipment at any Third-Party Retailer. UPS Returns[®] Services are not available for packages containing firearms.

–Small arms ammunition, as defined in 49 C.F.R. § 173.59, will be transported only when packaged and labeled in compliance with 49 C.F.R. § 172 (Hazardous Materials). Ammunition may not be shipped in the same package as a firearm.

–Firearm parts, which do not constitute firearms as defined under federal law (including without limitation Title 18, Chapter 44, and Title 26, Chapter 53 of the United States Code), and which otherwise

comply with federal, state, and local law, will be accepted for transportation.

–Firearms (including handguns) and firearm parts are not accepted for shipment internationally.

For more information, access www.ups.com/content/us/en/resources/ship/packaging/guidelines/firearms.html or contact UPS.

3.7 Food Transport; Assumption of Legal Responsibility

Shipments containing “food,” as defined in section 201(f) of the Federal Food, Drug, and Cosmetic Act, will be accepted for transportation only according to the following terms and conditions. Shipper assumes all responsibility with respect to establishing and maintaining all records required under 21 C.F.R. Part 1 Subpart J §§ 1.326-1.363. In so doing, shipper assumes the legal responsibility under 21 C.F.R. § 1.363 for establishing and maintaining records that would otherwise be required to be maintained by UPS. Shipper agrees its records will comply with 21 C.F.R. § 1.352 and shall identify the immediate recipient of the transported food; the origin and destination points of shipment; the date the shipment is received and the date released; the number of packages shipped; a description of the freight describing the type of food received and released; and the route of movement. Shipper agrees expressly to make all records required by 21 C.F.R. § 1.352 available to FDA as required by 21 C.F.R. § 1.361. Shipper commits, and recognizes that it has the responsibility, to ensure that all such records are maintained consistent with the record retention requirements provided in 21 C.F.R. § 1.360 and the record availability requirements provided in 21 C.F.R. § 1.363. Shipper agrees that within 45 days of the date of shipment, Shipper will obtain or request from UPS any information needed from UPS to satisfy Shipper’s responsibility to establish and maintain records. Shipper recognizes that the foregoing obligations with respect to establishing and maintaining records

cannot be terminated. Shipper expressly agrees to immediately assume responsibility to establish and maintain records as provided in this paragraph, regardless of any FDA-designated compliance date for any provision of 21 C.F.R. Part 1 Subpart J.

3.8 Hazardous Materials Service

Hazardous Materials, defined as those materials regulated under Title 49 of the Code of Federal Regulations (49 C.F.R.) (excluding Limited Quantity/Other Regulated Materials (ORM-D) Ground shipments, as referenced below), and Dangerous Goods, defined as those materials regulated by the International Civil Aviation Organization (ICAO) and published in the International Air Transport Association (IATA) Dangerous Goods Regulations (collectively referred to as “Hazardous Materials,” or “Dangerous Goods,” or “International Dangerous Goods”), are accepted for transportation only as a contractual service and in accordance with the UPS Guide for Shipping Ground and Air Hazardous Materials, or the UPS Guide for Shipping International Dangerous Goods. To receive Hazardous Materials or Dangerous Goods service, the shipper must sign and agree to the provisions set forth in an approved UPS agreement relating specifically to the transportation of Hazardous Materials, Dangerous Goods, or International Dangerous Goods (“Hazardous Materials Agreement”). Contact UPS for specific information, including a list of “Common Items That May Be Classified as Hazardous Materials.”

An additional charge will be assessed for each Hazardous Materials shipment. UPS may also assess an additional surcharge for packages containing certain types of Hazardous Material. Applicable surcharges are described at ups.com.

It is the shipper’s responsibility to determine if a package contains a Hazardous Material and to properly classify, label, mark, and package it in

accordance with applicable governmental regulations. When required, the shipper is responsible for ensuring that all of its employees involved in the preparation of Hazardous Materials for transport are properly trained, tested, and certified in accordance with 49 C.F.R. Part 172.700 through 172.704, or with IATA (Section 1.5) and for ensuring that a program exists for the retraining, testing, and certification as required by these rules.

All packaging used by the shipper for the transportation of Hazardous Materials, when required by regulation, must pass UN performance testing in accordance with 49 C.F.R. Part 178.602 through 178.609 or IATA (Section 6.0).

The shipper must use a software system, such as the most current version of WorldShip[®] that is acceptable to UPS for the preparation of documents for shipping Hazardous Materials, or an alternative method determined by UPS in its reasonable discretion to perform the same functions. UPS will provide shippers, upon request, a list of vendors who provide acceptable software systems.

UPS reserves the right to refuse to accept, to return, or to dispose of, in compliance with applicable laws and regulations, any Hazardous Material that it determines not to have been prepared in accordance with the UPS Guide for Shipping Ground and Air Hazardous Materials, the UPS Guide for Shipping International Dangerous Goods, and all applicable governmental laws and regulations. The shipper agrees to reimburse UPS for any costs or expenses incurred as a result of any improperly packed or prepared Hazardous Materials which shipper tenders to UPS. In addition, the shipper agrees to reimburse UPS for any costs or expenses incurred by UPS if Hazardous Materials tendered by the shipper are refused by the shipper upon return or cannot otherwise be delivered for any reason including, but not limited to, wrong delivery address or refusal of receiver to accept delivery.

UPS reserves the right, in its sole discretion and without prior notice to the

shipper, to dispose of any international shipment containing Dangerous Goods refused by the receiver or which for any other reason cannot be delivered. Shipper shall be responsible for all disposal fees.

The shipper agrees to indemnify, defend, and hold harmless UPS, its parent corporation, and affiliated companies, their officers, directors, employees, agents, and their successors and assigns, from all claims, demands, expenses (including reasonable attorney's and consultants' fees), liabilities, causes of action, enforcement procedures, and suits of any kind or nature brought by a governmental agency or any other person or entity arising from or relating to the transportation of a Hazardous Materials package, from the shipper's breach of the Hazardous Materials Agreement or the Terms, or from the shipper's non-compliance with governmental laws or regulations applicable to the transportation of Hazardous Materials whether such action is brought by a governmental agency or other person or entity. Under no circumstances shall UPS be liable for special, incidental, or consequential damages arising from the transportation of a Hazardous Materials shipment.

Pursuant to 49 C.F.R. Part 173.30, in the event the shipper loads any UPS vehicle, the shipper agrees to segregate Hazardous Materials in accordance with 49 C.F.R. Part 177.848 and properly secure Hazardous Materials in accordance with 49 C.F.R. Part 177.834.

UPS does not accept Hazardous Materials in any amounts that require placarding under 49 C.F.R. Part 172, Subpart F. The shipper agrees not to tender Hazardous Materials to UPS in any amount for a single vehicle that would require placarding in accordance with 49 C.F.R. Part 172, Subpart F.

UPS reserves the right to discontinue or terminate service immediately with respect to the transportation of Hazardous Materials if the shipper fails to comply with any provisions of the Terms, or any applicable government regulations

(including Limited Quantity/ORM-D shipments that are tendered without the proper shipping documentation). If a shipper tenders an undeclared Hazardous Materials package to UPS, UPS shall not be liable for the package in the event of loss, damage, delay, or misdelivery, nor shall UPS be liable for any special, incidental, or consequential damages.

If the shipper ships Hazardous Materials from more than one location, and the shipper fails to comply with any provisions of the Terms, the Hazardous Materials Agreement, or any governmental regulations, UPS may, in its sole discretion, terminate all of the shipper's shipment locations or limit such termination to those locations where the failure to comply occurred.

Shippers are prohibited from shipping and UPS will not accept for transportation packages containing any Hazardous Materials requiring shipping papers (defined as those materials regulated under Title 49 of the Code of Federal Regulations) or Dangerous Goods requiring Shipper's Declaration for Dangerous Goods documents, when such packages are presented for shipment at UPS Customer Centers, or Third-Party Retailers. Hazardous Materials requiring shipping papers cannot be picked up via UPS On-Call Pickup[®] service, or retrieved via any UPS Returns[®] Service.

Additional terms and conditions applicable to the shipment of Hazardous Materials are set forth in the UPS Guide for Shipping Ground and Air Hazardous Materials, and the UPS Guide for Shipping International Dangerous Goods, the terms of which are each incorporated here by this reference and available at <http://www.ups.com/content/us/en/resources/ship/hazardous>

3.9 Dry Ice

Packages containing dry ice (carbon dioxide, solid) as a refrigerant, but no other Hazardous Materials, are accepted for transportation within the United States via UPS Ground and UPS Air Services

(provided such packages are prepared in accordance with all applicable governmental regulations) without a Hazardous Materials Agreement. Packages containing Hazardous Materials that use dry ice (carbon dioxide, solid) as a refrigerant are accepted for transportation within the United States via UPS Ground and Air Services only as a contractual service. Any package containing dry ice will be considered a Perishable Commodity. Packages containing dry ice may be tendered for shipment at locations of The UPS Store[®], where such services are available.

3.10 Limited Quantity/ORM-D Packages

Limited Quantity/ORM-D packages are accepted for transportation without Hazardous Materials shipping papers within the 48 contiguous United States via UPS Ground or UPS Hundredweight Service[®] when properly classified, packaged, and marked. UPS Standard to Canada and UPS Ground (Intra-Alaska and Intra-Oahu) services are available for Limited Quantity/ORM-D shipments without a contract, provided the shipper has reviewed the required checklist and service restrictions with a UPS representative. Limited Quantity/ORM-D packages shipped via UPS Air Services and UPS 3 Day Select[®] within the United States and Puerto Rico are accepted for transportation on a contractual basis only.

3.11 Hazardous Waste, Mercury, and Mercury-Containing Waste

Packages containing hazardous waste, defined as a solid waste that meets any of the criteria of hazardous waste as described in 40 C.F.R. § 261.3, are not accepted for transportation.

UPS's acceptance for transportation of any elemental mercury, mercury-containing waste material, or used mercury-containing device (including, but not limited to, medical devices, spent or broken fluorescent lamps, thermostats, or

thermometers) is limited, must be prearranged, and will only be provided pursuant to prior written authorization from UPS upon satisfaction of certain requirements including appropriate packaging and financial assurances.

3.12 Live Animals

UPS provides service on a limited basis for packages containing some types of live animals. (The term “animal” as used here refers to anything living, except plants.) UPS will only accept packages containing live animals for shipment within the United States. Live animals may be shipped only pursuant to the restrictions and conditions set forth on ups.com regarding Shipping Live Animals. Any package containing a live animal will be considered a Perishable Commodity. Access <http://www.ups.com/content/us/en/resources/ship/packaging/guidelines/animals.html> or contact UPS for information regarding shipping live animals.

3.13 Perishable Commodities

UPS does not provide a protective service for the transportation of Perishable Commodities. Such commodities will be accepted for transportation solely at the shipper’s risk for any damage arising from the perishable nature of the item. Shippers shall not file claims for, and UPS shall not be liable to shippers or any third parties for, any damage arising from the transportation of Perishable Commodities, regardless of whether the package is delivered pursuant to an applicable UPS Service Guarantee or is delayed in transit. UPS reserves the right to dispose of any package in the UPS system containing a Perishable Commodity that UPS deems in its sole discretion to be unsafe or unsanitary.

3.14 Pharmaceuticals

The shipper shall comply with and shall ensure that each shipment containing pharmaceutical products complies with all applicable federal, state, provincial, and local laws and regulations governing the shipment or tender of shipment of pharmaceutical products.

3.15 Portable Electronic Devices

UPS transports packages containing radio frequency identification devices (RFID), ultrawideband devices (UWB), and other portable electronic devices (PED) only when such devices are in an inactivated state or otherwise in compliance with applicable law including 14 C.F.R. § 91.21, 14 C.F.R. § 121.306, or 47 C.F.R. § 15.521(a).

3.16 Tobacco Products

Packages containing tobacco or tobacco products, as those terms are variously defined under applicable state law (“Tobacco Product Shipments”), are accepted for transportation only from shippers who are licensed and authorized to ship tobacco and tobacco products pursuant to applicable laws. Tobacco Product Shipments shipped to a consumer will only be accepted for transportation as a contractual service. However, because UPS prohibits shipments of cigarettes to consumers under any circumstances, UPS does not offer a contractual service for the delivery of cigarettes to consumers. To receive service for Tobacco Product Shipments shipped to a consumer, the shipper must sign and agree to the provisions set forth in an approved UPS agreement for the transportation of tobacco products. For all other service for Tobacco Product Shipments, the receiver must be licensed and authorized to receive tobacco or tobacco products pursuant to all applicable federal, state, provincial, or local laws or regulations, and the shipment must conform to the terms, conditions, restrictions, and prohibitions set forth at www.ups.com/tobacco at the time of shipping. It is the responsibility of the shipper to ensure that a shipment tendered to UPS, including a Tobacco Product Shipment, does not violate any federal, state, provincial, or local laws or regulations applicable to the shipment.

UPS reserves the right to refuse to accept, transport, or deliver any Tobacco Product Shipment that UPS, in its sole discretion,

determines does not comply with UPS requirements for the shipment or any applicable law or regulation, and to discontinue any or all service to any shipper for, among other reasons, tendering such a shipment. UPS reserves the right to dispose of any Tobacco Product Shipment that shippers are prohibited from shipping, that UPS is not authorized to accept, that UPS states that it will not accept, or that UPS has a right to refuse.

4. Provisions for Export and Customs Clearance of International Packages

The shipper (or the party tendering a package to UPS for service, referred to for purposes of this Section 4 as “shipper”) must provide UPS with all documentation and information required by the laws of the origin and destination countries for export and import of shipments (i.e., for export and customs clearance). The shipper is responsible for determining export and import licensing or permitting requirements for a shipment, obtaining any required licenses and permits, and ensuring that the consignee is authorized by the laws of the origin and destination countries to receive the shipment. By tendering an international shipment for service and providing UPS with documentation (including any Source Documents), the shipper certifies that the documentation includes all required licenses and permits, that the statements in that documentation and any other information that the shipper provides to UPS relating to exportation and importation are complete, true, correct, and in compliance with the laws of the origin and destination countries, and that the consignee is authorized by the laws of the origin and destination countries to receive the package. Furthermore, the shipper understands that civil and criminal penalties including seizure and forfeiture, may be imposed for failing to provide UPS with all required documentation, licenses, permits, statements, and information, for making inaccurate, false, or fraudulent statements, or for violating U.S. or other country laws regulating exports or imports (see, e.g., 13 U.S.C. § 305; 18 U.S.C.

§§ 545, 554 and 1001; 19 U.S.C. §§ 1595a and 1592; 22 U.S.C. § 401; and Subchapter C of 15 C.F.R. (i.e., The Export Administration Regulations)).

When an international shipment is tendered to UPS, UPS is thereby appointed as the agent for performance of customs clearance in the destination country to the extent allowed by law. The shipper shall provide all Powers of Attorney and other authorizations required by applicable law for UPS to serve as the shipper’s agent to perform customs clearance in the destination country. UPS is specified as the nominal consignee for the purpose of designating a customs broker to perform customs clearance. Local authorities may require documentation confirming that UPS has been designated as the nominal consignee.

Fines, penalties, liquidated damages, storage charges, or other expenses incurred as a result of an action by U.S. Customs and Border Protection (or any other U.S. or other country’s government agency regulating imports or exports), or as a result of the failure of the shipper or consignee to provide complete, true, and correct documentation, statements, or information required by the laws of the origin and destination countries (including the failure to obtain a required license or permit) will be charged to the shipper or consignee along with any applicable duties, fees, or taxes, and any applicable late payment fees assessed by UPS. Unless a written agreement between UPS and the shipper specifies otherwise, UPS reserves the right in its sole discretion to charge the shipper or consignee for any such fines, penalties, liquidated damages, storage charges, expenses, duties, fees, taxes, or late payment fees. Regardless of any such written agreement specifying otherwise, in the event of non-payment by the consignee, the shipper is liable for all charges.

The shipper agrees to indemnify, defend, and hold harmless UPS, its parent corporation, and affiliated companies, their officers, directors, employees, agents, and

their successors and assigns, from any and all claims, demands, expenses, or liabilities including, but not limited to, fines, penalties, liquidated damages, storage charges, duties, fees, taxes, late payment fees, or other money due, arising from the transportation, importation, exportation, or customs clearance of shipments on behalf of the shipper, or arising from the shipper's noncompliance with the laws of the origin and destination countries, or UPS requirements applicable to the shipment.

UPS provides routine customs clearance through UPS Supply Chain Solutions® brokerage offices designated by UPS for handling customs clearance of shipments at no additional charge, except for UPS Standard to and from Canada shipments, for which a brokerage service charge applies. Other UPS Supply Chain Solutions customs brokerage offices charge fees for the clearance of packages and freight.

Additional charges may apply for complex customs clearance procedures, which include, but are not limited to, the following:

- Clearance procedures involving a government agency other than U.S. Customs and Border Protection;
- Customs Bonds;
- Drawbacks;
- Formal entries involving more than five tariff lines
- Live Entries;
- Country of Origin Marking; or
- Temporary Import Bonds (T.I.B.).

UPS is under no obligation, unless the customer requests in writing and UPS agrees in writing, to undertake any pre- or post-importation action including, but not limited to, obtaining binding rulings, advising of liquidations, filing protests, or filing petitions for relief.

UPS may prepay duties, fees, or taxes on behalf of the payer. For importation into

the United States, a fee will be assessed and billed to the importer. A fee may also apply for shipments to other countries.

For any claims arising from import, export or customs clearance activities, the liability of UPS (including UPS Supply Chain Solutions) shall be limited to the lesser of (i) \$50 per entry, filing, or transaction; or (ii) the amount of fees paid to UPS for such entry, filing, or transaction.

4.1 Electronic Export Information

If Electronic Export Information (EEI) is required to be filed through the Automated Export System (AES) under the Foreign Trade Regulations of the U.S. Bureau of the Census ("Census") (i.e., Part 30, 15 C.F.R.), and the shipper has not filed the EEI and provided an Internal Transaction Number (ITN) to UPS to confirm that an EEI transaction was submitted to Census by the shipper accepted and is on file in the AES, UPS will electronically file the required EEI on behalf of the shipper, provided that all information required to file the EEI is supplied by the shipper on the UPS Waybill or other export documentation and UPS has received proper authorization or a Power of Attorney from the shipper to complete and file the EEI. A processing fee will be assessed and billed to the shipper.

4.2 Certificate of Origin

UPS may, based solely on information that the shipper furnishes, prepare a Certificate of Origin for goods manufactured and originating within the United States on behalf of the shipper when one is required but not included with the export documents provided by the shipper. When authorizing UPS to prepare a Certificate of Origin, the shipper certifies that the information it provides to UPS is complete, true, and correct and that the completed Certificate of Origin complies with the laws of each country where a claim will be made that the goods are manufactured and originate in the United States. A processing fee will be assessed and billed to the shipper.

4.3 UPS Paperless® Invoice Service

A shipper must register with UPS in advance of shipping to use UPS Paperless Invoice service, where such services are available. By using UPS Paperless Invoice service, the shipper authorizes UPS to use the shipper's letterhead and electronic signature to prepare true, correct, and paperless commercial invoices that reflect, in all material respects, the shipper's sale transactions of merchandise to its buyers (i.e., the "Sold To" Parties) necessary to expedite in accordance with law the export and customs clearance of international shipments. The shipper shall provide to UPS in advance all required information including, but not limited to, the true and accurate price at which the merchandise was sold to the "Sold To" Party, any required additions to customs value (e.g., dutiable commissions, royalty/license fees, assists, packing costs, and proceeds of subsequent sales), the currency of the sale, country of origin, terms of sale, the quantities, ultimate consignee, and a complete commercial description of the merchandise. By using the service, shipper represents and certifies that any paperless commercial invoice that UPS prepares is true and accurate, which means that it is, in all material respects, an electronic copy of the same commercial invoice provided to the buyer. The shipper shall have an affirmative, non-delegable duty to disclose to UPS any and all required commercial invoice information, and to ensure its accuracy and completeness. The shipper must provide timely upload of PLD to use UPS Paperless Invoice service.

4.4 Pre-Release Notification for Import Shipments

A shipper or consignee may request that UPS notify the consignee prior to submission of a U.S. import shipment to U.S. Customs and Border Protection so that the importer may validate the classification, valuation, or other import information. An additional fee applies for this service and will be billed to the

importer or to the shipper when the shipper is selected as the payer of the duties and taxes for the shipment.

4.5 Record-Keeping

The shipper agrees and consents that UPS may preserve a record of the carriage for an international shipment using means other than producing a copy of the air waybill. The shipper has a duty to and is solely liable for maintaining all records as required under the export and customs or other laws of the origin and destination countries; unless otherwise agreed to in writing. UPS assumes no responsibility to act as a record-keeper or record-keeping agent for the shipper.

5. UPS Import Control®

UPS Import Control service allows a shipper to process an import shipment, including commercial invoice, and create a Print Import Label, Electronic Import Label, or Print and Mail Import Label to provide to the sender or party tendering the shipment to UPS. A shipper may also request 1 UPS Pickup Attempt or 3 UPS Pickup Attempts to request that UPS make pickup attempts to retrieve an import shipment from a sender's address. UPS Import Control is available only in countries where UPS pickup services are available. An additional charge will be assessed for each UPS Import Control® package.

UPS Import Control is available only for shipments processed through WorldShip®, UPS CampusShip®, UPS Internet Shipping, UPS Developer Kit, or an approved UPS Ready® solution.

UPS Import Control is not available for Hazardous Materials shipments requiring shipping papers, firearms, or shipments requiring Delivery Confirmation Adult Signature Required service. C.O.D. service is not available for UPS Import Control shipments.

The maximum actual or declared value for each UPS Import Control package is \$50,000, provided that, for any UPS Import Control package with an actual or declared

value in excess of \$1000, the shipper must ensure that a UPS high-value shipment summary is generated and signed by the UPS driver upon tender of the shipment to UPS. If no high-value shipment summary is obtained and signed, the maximum actual or declared value of each such package is limited to \$1000.

Notwithstanding anything herein to the contrary, for all UPS Import Control shipments tendered to UPS for export from the U.S., that transit the U.S., or that contain U.S.-origin goods, the sender or tendering party is the exporter for purposes of the Export Administration Regulations ("EAR"), and it shall be responsible for determining licensing authority (license, license exception, or NLR) and obtaining the appropriate license or other authorization as provided in Section 4 (Provisions for Export and Customs Clearance of International Packages). In no event shall a party arranging for UPS Import Control service provide a writing assuming responsibility for determining licensing requirements and obtaining license authority for any UPS Import Control shipment to the tendering party. UPS does not agree to serve as the exporter for purposes of the EAR.

6. Right of Inspection

UPS reserves the right in its sole discretion to open and inspect any package tendered to it for transportation, but is not required to do so.

7. Refusal of Service

UPS reserves the right to refuse to provide service, among other reasons, for any package which by reason of the dangerous or other character of its contents may, in the sole judgment of UPS, soil, taint or otherwise damage other packages or UPS's equipment, or which is improperly or insecurely packed or wrapped, as determined by UPS in its sole judgment.

Before accepting any package for service, UPS reserves the right to require sufficient verification, as determined by UPS in its sole discretion, of the shipper's name and

address, or any other information necessary to accept the package for service. UPS reserves the right to refuse to provide service for any package, or to or from any location, or to provide alternative service arrangements when, among other reasons, UPS, in its sole discretion, deems that it is unsafe or economically or operationally impracticable to provide service.

8. Packaging

It is the responsibility of the shipper to ensure that proper packaging is used and that contents of packages are adequately and securely packed, wrapped, and cushioned for transportation. Packages must be so packed or wrapped as to meet UPS's published standards related thereto set forth in the Service Guide, or on ups.com, and as to pass tests set forth in the International Safe Transit Association ("ISTA") Procedure 3A, Procedure for Testing Packaged Products, published by ISTA. In addition, any tested product must be free from damage and the packaging must afford reasonable protection as determined by UPS in its sole judgment.

The use of UPS-provided packaging is not a guarantee that an item is sufficiently packaged for transportation. UPS does not provide special handling for packages with "Fragile," package orientation (e.g., "UP" arrows or "This End Up" markings), or any other similar such markings.

When shipping certain electronic media containing sensitive personal information (such as personal financial or health information), it is recommended that the shipper retain a copy of the data and secure the data on the electronic media through encryption or other technological means. For the shipment of such electronic media, or for breakable items, see the packaging guidelines located at ups.com. The guidelines advise against the use of Express Envelopes, Express Paks, or Express Pad Paks to ship sensitive personal information or breakable items.

9. Use of UPS-Provided Materials and Services

UPS-provided materials including, but not limited to, packaging materials and supplies, envelopes, labels, label printers, shipping documents, publications and products are provided solely for the use of UPS shippers to obtain UPS services on their behalf and to interact with UPS. Any other use of such UPS-provided materials is strictly prohibited.

UPS Express Envelopes, Express Paks, Express Boxes, Express Tubes, UPS 10KG Box[®] and UPS 25 KG Box[®] may not be used for UPS Ground, UPS Standard, UPS 3 Day Select[®], or UPS Worldwide Expedited[®] shipments.

Under no circumstances may a shipper sell any UPS-provided materials, products, or services to any third party without prior written authorization from UPS.

10. Use of UPS Electronic Information Systems

Use of UPS electronic information systems to which shippers are granted access by UPS and which are accessed by means of hardware, software, or internet interfaces, including UPS Shipping Systems, are subject to and will be governed by the terms and conditions in effect at the time of shipping for the relevant system, including without limitation, the UPS Technology Agreement, the iShip[®] Master Enterprise Service Agreement, the ConnectShip[®] End User License Agreement, or that agreement licensing use of a UPS Ready[®] program.

11. Timely Upload of PLD

The shipper must provide Timely Upload of Package Level Detail ("PLD") to UPS at the time a package is tendered to UPS. Timely Upload of PLD as used in these Terms refers to the electronic transmission of all applicable PLD information to UPS at or before the time that packages are tendered to UPS. PLD includes, but is not limited to, consignee's full name, complete delivery

address, and package dimensions and weight.

12. ZIP Code[™]/Postal Code Information

The receiver's ZIP Code[™] is a required part of the address for domestic shipments. When available, ZIP+4[™] should be used. The receiver's postal code, telephone number, and contact name are required parts of the address for international shipments.

13. P.O. Boxes

UPS does not provide Delivery to a P.O. Box. The shipper must make every effort to obtain a street address. If the shipper should use a P.O. Box address, the recipient's telephone number must be included. A package addressed to a P.O. Box may experience delays, is not covered by any UPS Service Guarantee, and is subject to an Address Correction charge. Army Post Office (APO) and Fleet Post Office (FPO) addresses are not accepted.

14. UPS Customer Center

Before accepting a package tendered for transportation or releasing any package at a UPS Customer Center to a consignee or other recipient, UPS reserves the right to require sufficient verification, as determined by UPS in its sole discretion, of the shipper's or recipient's name, address, authorization to ship or receive the package, or any other information UPS deems necessary to accept or release the package in its sole discretion. Persons tendering or picking up packages on behalf of a business may be required to provide identification issued by the business and a government-issued identification.

15. Third-Party Retailer

The UPS Store[®] locations are independently owned and operated by licensed franchisees of Mail Boxes Etc., Inc., a subsidiary of United Parcel Service, Inc., and are not agents of UPS. Other Third-Party Retailers are independently owned and operated businesses and are

not agents of UPS. UPS assumes no liability other than to the Third-Party Retailer as the shipper of the package, for lost, damaged or delayed packages sent via the Third-Party Retailer. Any such liability to the Third-Party Retailer is subject to the limitations set forth in the Terms. All inquiries regarding packages shipped via any Third-Party Retailer must be directed to the Third Party Retailer that shipped the package. UPS will deal solely with the Third-Party Retailer in all matters concerning packages shipped via any Third-Party Retailer including, but not limited to: tracking/tracing requests; claims and guarantees; C.O.D. preparation and remittance; return of undeliverable packages; proper packaging and labeling; and billing. Even if UPS responds directly to customers of the Third-Party Retailer regarding tracking requests, UPS will not be liable to those customers. The Third-Party Retailer is solely responsible for the issuance of any refunds and claims to those who shipped packages via the Third-Party Retailer. For any package shipped via the Third-Party Retailer with a declared value in excess of \$1000, the Third-Party Retailer must provide a copy of the high-value control log to UPS at the time of tender of the package. The Third-Party Retailer shall not ship any articles which UPS does not accept for transportation. The Third-Party Retailer shall indemnify and hold harmless UPS in any action against UPS arising from the loss, damage, or delay of a package shipped via the Third-Party Retailer.

16. Pickup Services—Scheduled

UPS offers the following Scheduled Pickup Services:

–*Daily Pickup*: When Daily Pickup service is selected, UPS will call on shipper's location once each business day to pick up packages. UPS may not call upon a location on any day in which the account indicates that there are no packages available for pickup.

–*Daily On-Route Pickup*: When Daily On-Route Pickup service is selected, UPS will

call at shipper's location each business day to pick up packages while making deliveries in shipper's area.

–*Day-Specific Pickup*: When Day-Specific Pickup is selected, UPS will call on shipper's location each business day as preselected by shipper. Shipper may select up to four business days per week for Day-Specific Pickup.

–*UPS Smart Pickup*[®]: When UPS Smart Pickup is selected, UPS will call on shipper's location any business day when the shipper transmits PLD using the current version of WorldShip[®], UPS CampusShip[®], or UPS Internet Shipping by the deadline designated by UPS, or if shipper has scheduled a pickup by telephone or through ups.com prior to the deadline designated by UPS.

For Daily Pickup, Daily On-Route Pickup, and Day-Specific Pickup, a weekly service charge based on the account's weekly billing total, as reflected in the UPS billing system, will be assessed. The weekly billing total may not necessarily reflect all packages tendered during a calendar week. For UPS Smart Pickup, a weekly service charge will be assessed.

17. UPS On-Call Pickup[®] Service

When UPS On-Call Pickup Service is requested by the shipper, UPS will arrange (where reasonably practicable) a package pickup at the shipper's location. An additional charge for On-Call Pickup Service will be assessed.

On-Call Pickup Service from a Residential location will be assessed an additional surcharge for residential pickup. If the Residential location is in a remote or less accessible area as designated by UPS, an additional surcharge for extended area or remote Residential pickup also will apply.

18. Saturday Pickup; Processing Fee

UPS offers Saturday pickup of UPS Air Services packages and UPS Hundredweight Air Services shipments for

Delivery in the United States and Puerto Rico where such services are available. The shipper should contact UPS for information regarding UPS's Saturday pickup area. UPS Air Services shipments picked up on Saturday receive the same delivery commitment as UPS Air Services shipments picked up on Friday. Saturday pickup service is provided by the following methods:

–A shipper may request Saturday pickup via UPS On-Call Pickup[®] service by contacting UPS on each Saturday, excluding holidays, on which the service is needed.

–At the shipper's option, UPS will call at the shipper's premises every Saturday, excluding holidays, to pick up qualifying shipments. A surcharge will be assessed if UPS calls at the shipper's premises on Saturday and there are no packages to be picked up on that day.

An additional charge will be assessed for each UPS Air Services package or UPS Hundredweight Air Services shipment processed using a UPS Shipping System, tendered to UPS, or tendered to a Third-Party Retailer on a Saturday, in addition to any applicable UPS On-Call Pickup[®] charge.

19. Drop Shipment

A unique Drop Shipper account number will be assigned to approved shippers and must be used solely for the origin and destination locations as specified in the UPS Drop Ship Letter of Understanding or as required by UPS.

UPS reserves the right to refuse any Drop Shipment request, in its sole discretion, including, but not limited to, any Drop Shipment that is operationally or economically impracticable to transport. A request for Drop Shipment service is not reasonable unless the shipper makes a prior arrangement with UPS, agreed to in advance by UPS, as to timing, location, and volume of the Drop Shipment.

When a shipper, through prior arrangements with UPS, tenders packages at UPS's receiving stations with a return address requiring a movement greater than a Zone 2 movement from the point of tender, any undelivered packages will be returned automatically and will be charged at the rate applicable between the point of tender and the return address. The effective UPS Rates for the applicable shipment will apply.

UPS does not accept, and shippers are prohibited from shipping, any package via a Drop Shipment that contains Hazardous Materials, except for Limited Quantity/ORM-D packages that are tendered for UPS Ground service in the 48 contiguous United States.

20. Delivery

UPS does not limit Delivery of a package to the person specified as the receiver in the UPS Shipping System. Unless the shipper uses Delivery Confirmation service requiring a signature, UPS reserves the right, in its sole discretion, to make a Delivery without obtaining a signature.

21. Residential Delivery

If the delivery location could be construed as either residential or commercial, then the rates for Residential Delivery will apply.

22. Deliveries Attempted Three Times Without Extra Charge

If UPS is unable to deliver a package, a notice will be left at the consignee's address stating that delivery has been attempted. Thereafter, a second and, if necessary, a third attempt to deliver the package will be made without additional charge.

23. Hold for Pickup Service

At the time a shipper tenders a package to UPS, the shipper may request that UPS hold a domestic package at a designated UPS Customer Center for pickup by the consignee. For each such package, the shipper will complete an address label

showing the words “Hold for Pickup,” the consignee’s name, telephone number, the name of a contact person, and the full address of the designated UPS Customer Center. In addition, the shipper will apply a UPS Hold for Pickup label below the address label on the package.

UPS will hold the package at the designated UPS Customer Center and will attempt to contact the consignee at the telephone number shown on the label. Packages not picked up within five (5) business days from the date of arrival will be returned to the shipper at the shipper’s expense.

Hold for Pickup is not available for international shipments.

24. Shipper Release

A shipper may request that UPS release a package on the first Delivery attempt. When Shipper Release is selected, UPS will make only one Delivery attempt, a signature will not be obtained upon Delivery, and a UPS delivery record showing a completed Shipper Release delivery shall be conclusive proof that Delivery was completed. Shipper Release is provided solely at the shipper’s risk of loss or damage arising from the release of the package by UPS and UPS will not be liable to shippers or third parties for any damages arising from the release of the package.

25. UPS carbon neutral

A shipper may request that UPS offset the climate impact of a package via UPS carbon neutral service by selecting UPS carbon neutral at the time a package is tendered to UPS. By selecting UPS carbon neutral, UPS will purchase and retire in the appropriate registry a sufficient number of voluntary or regulatory carbon credits as determined by UPS in its sole discretion to offset calculated carbon dioxide emissions. UPS carbon neutral is available only for packages shipped using a UPS Automated Shipping System. An additional charge will be assessed for each carbon neutral request.

26. UPS Delivery Intercept®

After a domestic package has been tendered to UPS but before Delivery, a shipper may request that UPS return a package to the shipper, reroute a package to an address or a receiver other than the address or receiver identified in the UPS Shipping System for the package (including a request by shipper to correct an address), hold the package for pickup at a UPS Customer Center, or hold a package for future delivery. UPS Delivery Intercept may be requested only by the shipper. UPS will honor such a request where practicable and where the shipper has guaranteed payment of any applicable charges resulting from the change. An additional charge, set forth in the UPS Rates applicable to the shipment in effect at the time of the request will be assessed for each package returned to the shipper, rerouted, or held for future delivery.

27. Delivery Change Requests

After delivery has been attempted and the receiver has received notice from UPS that delivery has been attempted (UPS InfoNotice® or postcard number required), the receiver may request that UPS return a package to the shipper, reroute a package to an address or a receiver other than the address or receiver identified in the UPS Shipping System for the package, hold the package for pickup at a UPS Customer Center, or hold a package for future delivery (“Delivery Change”). UPS will honor a Delivery Change Request where practicable and where the receiver has guaranteed payment of any applicable charges resulting from the change. By requesting a Delivery Change, the receiver acknowledges and agrees that the limitations of liability set forth in the Terms in effect at the time of shipment apply to the package subject to the Delivery Change Request and that the value originally declared by the shipper, if any, shall continue to apply throughout the course of transportation pursuant to the Delivery Change Request. UPS assumes no liability other than to the shipper of the package for loss, damage, or delay of any

package subject to Delivery Change. An additional charge set forth in the UPS Rates applicable to the shipment in effect at the time of the request will be assessed to the consignee for each package rerouted or held for future delivery by a Delivery Change Request.

28. Correction of Addresses

If UPS is unable to deliver any package as addressed by the shipper, or if the package has an incorrect or incomplete address (examples include, but are not limited to, P.O. Boxes, missing suite, apartment, or unit numbers, old addresses, and missing/incorrect ZIP Codes), UPS will make reasonable efforts, to be determined in its sole discretion, to secure the correct or complete address. An address validated by UPS may be incorrect or incomplete for purposes of completing Delivery, and may be corrected by UPS. If the correct or complete address is secured, UPS, at its sole discretion, will attempt delivery, and the shipper will be provided with the correct or complete address in order to update its internal records. An additional charge will be assessed for an address correction.

29. Saturday Delivery

UPS offers optional Saturday Delivery of the following services, where such services are available. A shipper may request Saturday Delivery by indicating the selection in the UPS Shipping System and attaching a Saturday Delivery routing label to each package. An additional charge will be assessed for each package or international shipment for Saturday delivery and will be billed to the payer of the transportation charges. Contact UPS for UPS's Saturday Delivery area.

30. Delivery Confirmation Services

UPS provides the following Delivery Confirmation Services. An additional charge applies for each service. Delivery Confirmation information, including signatures where applicable, is available online or by mail. Where applicable, only valid UPS accounts will receive responses via mail:

30.1 Delivery Confirmation (domestic only)

A shipper may request Delivery Confirmation Service by indicating Delivery Confirmation on the UPS Source Document (excluding Air Shipping Documents) or in a UPS Automated Shipping System. Delivery Confirmation information will include the date of delivery and either the name of the recipient or the disposition of the package; or, in the event of a return, the reason for the return and the date processed.

30.2 Delivery Confirmation Signature Required (domestic and international)

A shipper may request UPS to obtain the recipient's signature on Delivery. The shipper must use a UPS Automated Shipping System to initiate a request for this service. UPS may obtain, at its discretion, a signature or other electronic acknowledgment of receipt from the recipient when this option is selected.

30.3 Delivery Confirmation Adult Signature Required (domestic and international)

A shipper may request UPS to obtain the signature of an adult 21 years of age or older on Delivery. UPS, in its sole discretion, will determine if Delivery can be completed when such a request is made, and may request photo identification indicating the recipient's age, before completing Delivery. The shipper must use a UPS Automated Shipping System to initiate a request for this service. UPS reserves the right to assess the shipper the additional charge for this service when the shipper requests UPS to obtain an adult signature on Delivery and an approved UPS label is not affixed to the package indicating such request, or, the shipper tenders a package that, based upon its contents, requires an approved UPS label requesting an adult signature upon Delivery and no such label has been affixed to the package.

31. Proof of Delivery (P.O.D.)

Upon request, UPS will provide proof of delivery of a shipment via fax transmission, email, or mail. The request must include a fax number, including area code, for an operating fax machine, an email address for email delivery, or an address deliverable by the United States Postal Service for mail.

32. Package Tracking/Tracing and Refund Request Charge

UPS reserves the right to assess a shipper an additional charge of \$3 per request for each Package Tracking/Tracing and Refund Request initiated by or at the request of the shipper. This charge will not be assessed for the first 50 package tracking requests per calendar week, or for a quantity of package-tracking requests equal to or less than 20 percent of the shipper's package volume for that week, whichever is greater. This charge will not be assessed for a quantity of package-tracing requests equal to or less than two percent of the shipper's package volume for that week. UPS also reserves the right to assess the shipper a charge set forth in the effective UPS Rates for Service Guarantee refund requests when the subject package was delivered in accordance with the applicable UPS Service Guarantee in the effective Terms.

33. Special Handling of Undeliverable Packages; Refused Packages Returned

Packages refused by the consignee, or which cannot be delivered due to any other cause beyond UPS's control, will be returned to the shipper at shipper's expense, including, but not limited to, forwarding costs, return transportation charges, duties, and taxes. Undeliverable international shipments returned to the shipper also are subject to an undeliverable shipment surcharge set forth in the effective UPS Rates. The UPS Service Guarantee does not apply to undeliverable packages returned to the shipper.

If a package is refused by the consignee or for any other reason cannot be delivered, and return of the package is refused by the shipper, or UPS is unable within a reasonable time to obtain the shipper's instructions on disposition of the package, or the package cannot otherwise be returned to the shipper, UPS will retain the package for a reasonable period of time, to be determined in its sole discretion (not to exceed 30 days), and UPS reserves the right to dispose of the package, including salvage, thereafter. The shipper or consignee's sole recourse in such circumstances shall be in accordance with and subject to Sections 48 ("Claims and Legal Actions") and 49 ("Responsibility for Loss or Damage").

34. C.O.D. Service

UPS accepts C.O.D. packages for delivery in the United States and Puerto Rico. C.O.D. service is not provided for international shipments.

34.1 Preparation and Listing of C.O.D. Packages

Shippers not using a UPS Automated Shipping System must prepare and attach to each C.O.D. package a UPS C.O.D. tag showing the amount to be collected and enter such amount in the space provided for that purpose.

Shippers using a UPS Automated Shipping System will generate, and apply to each C.O.D. package, a system-generated address label with a C.O.D. bar code and the amount to be collected for each individual package. Each C.O.D. package in a UPS Hundredweight Service[®] or UPS Ground with Freight Pricing C.O.D. shipment must carry a C.O.D. tag or system-generated label for the goods contained in that package.

34.2 Responsibility for C.O.D.s

Upon delivery of each C.O.D. package, UPS will attempt to collect the amount shown on the C.O.D. tag or the system-generated label attached to the package and transmit to the shipper the amount so

collected (subject to the terms and conditions in Section 34.9, "Remittance of C.O.D.s," below), or, if collection cannot be made, will return the package to the shipper. The shipper must notify UPS within 45 days from the date of shipment of a C.O.D. shipment if the shipper has not received payment of the C.O.D. amount, or any claim relating thereto shall be deemed waived. Suits shall be instituted within two years after denial of any portion of the claim.

If collection cannot be made within three delivery attempts, or the consignee refuses delivery, UPS will return the package to the shipper.

34.3 Consignee's Checks in Payment of C.O.D.s

Unless instructions to collect a cashier's check or money order only are shown on the C.O.D. tag (in conformity with the instructions on the tag) or system-generated label, UPS will accept a check or other negotiable instrument issued by or on behalf of the consignee. When instructions to collect a cashier's check or money order only are clearly indicated on the C.O.D. tag or system-generated label, UPS reserves the right to accept a cashier's check, money order, official bank check, or other similar instrument issued by or on behalf of the consignee.

All checks or other negotiable instruments (including cashier's checks, official bank checks, money orders, and other similar instruments) tendered in payment of C.O.D.s will be accepted by UPS based solely upon the shipper assuming all risk relating thereto, including, but not limited to, risk of non-payment, insufficient funds, and forgery, and UPS shall not be liable upon any such instrument.

All checks or other negotiable instruments (including cashier's checks, official bank checks, money orders, and other similar instruments) will be transmitted to the shipper together with UPS's own check if consignee check(s) collected are for less than the C.O.D. amount. Remittances

(checks, money orders, etc.) received that are less than the C.O.D. dollar amount indicated by the shipper will be reimbursed for the full amount unless the variance of the amount remitted is less than \$1.00.

34.4 C.O.D. Package of \$10,000 or More

UPS may require payment for any C.O.D. package of \$10,000 or more to be received in a single check or other negotiable instrument such as a cashier's check, money order, official bank check, or other similar instrument.

34.5 Acceptance of Personal Check

In the event that UPS accepts a personal or company check when a shipper has properly instructed UPS to collect a cashier's check or money order only, UPS reserves the right, in its sole discretion, to deposit into a UPS account the personal or company check collected and to provide the shipper with a check issued by UPS.

34.6 C.O.D. Remittance Verification

In the event that a shipper timely notifies UPS that the shipper has not received payment of the C.O.D. amount, if UPS's records show that it collected a C.O.D. payment and the remittance has not been cashed, UPS may, in its sole discretion, provide the shipper with a digital image of the check or money order along with a C.O.D. Remittance Verification in order to assist the shipper in locating the missing C.O.D. payment. If the shipper is still unable to locate the C.O.D. payment, UPS may, in its sole discretion, provide the shipper with an indemnified C.O.D. check or money order, which is a digital image of the original payment collected by UPS at the time of delivery and can be deposited in a bank, provided that the original check or money order has not previously been deposited or negotiated. If the indemnified check or money order turns out to be invalid for any reason including, but not

limited to, insufficient funds or forgery, UPS shall not be liable upon the instrument.

34.7 Restrictions

C.O.D.s are accepted for amounts up to \$50,000 per package.

C.O.D. packages with an amount to be collected in excess of \$500 are not accepted for transportation via a UPS Drop Box.

Entry of a C.O.D. amount is not a declaration of value for carriage. Payment of the C.O.D. charge does not constitute payment of the declared value charge.

UPS will not accept currency in any amount for payment of C.O.D. shipments.

34.8 Charges for C.O.D. Collections

An additional charge will be assessed for each C.O.D. package tendered to UPS.

34.9 Remittance of C.O.D.s

Subject to the following provisions of this section, UPS shall remit C.O.D. collections to the shipper after the date of collection.

The shipper irrevocably authorizes UPS to apply, in its sole discretion and without prior notice to the shipper, any C.O.D. collections to any past due Charges owed by the shipper. To this end, if there are any past due Charges owed by the shipper, the shipper hereby (a) irrevocably assigns and transfers to UPS all of the shipper's right, title and interest in and to each check or other negotiable instrument for payment of a C.O.D. that is received by UPS or its employee or agent, and (b) constitutes and appoints UPS as the shipper's attorney-in-fact and authorizes UPS, in the shipper's name, place, and stead, to endorse any such check or other negotiable instrument with the shipper's name, to deposit the same into any UPS account, and to apply the proceeds of the same against any past due Charges owed by the shipper. The shipper acknowledges and agrees that such appointment of UPS as the shipper's

attorney-in-fact is coupled with an interest and is irrevocable. UPS may exercise any of its rights under this section either directly or through any employee or agent.

The shipper relinquishes, waives, and agrees not to assert any claim against UPS or any of its employees or agents, any consignee, any collecting or paying bank, or any other person or entity, that may directly or indirectly arise as a result of UPS's exercise of any of its rights under this section Remittance of C.O.D.s. Without diminishing any of UPS's rights under the preceding sentence, the shipper agrees that UPS and such other persons or entities shall not be liable to the shipper or any other person or entity for any special, incidental, or consequential damages in any claim made with respect to UPS's exercise of any such rights.

The shipper agrees that, following UPS's application of any C.O.D. collections to any past due Charges owed by the shipper in accordance with this section, the shipper will continue to be fully liable for the payment of all remaining Charges owed by the shipper (including, without limitation, (i) any Charges that are not covered by the application of the C.O.D. collections, and (ii) any Charges relating to a previously applied C.O.D. collection that is reversed by reason of the uncollectibility of the C.O.D. check or other negotiable instrument or otherwise).

Nothing in this section shall constitute an election of remedies by UPS or any other person or entity or a waiver of any of the rights of UPS or any other person or entity under the remaining provisions of the Terms or at law or in equity.

35. UPS Returns[®] Services

UPS offers UPS Returns[®] Services (defined as Authorized Returns Service (ARS), Print Return Label, Electronic Return Label, Print and Mail Return Label, 1 UPS Pickup Attempt, 3 UPS Pickup Attempts, UPS Returns on the Web, UPS Returns[®] Flexible Access, and UPS Returns[®] Exchange). ARS, UPS Returns

Flexible Access, and UPS Returns Exchange are contractual services only.

An additional accessorial charge applies to each UPS Returns Services package and will be assessed when the service is requested. The applicable charges will be those set forth in the UPS Rates in effect at the time the charge is applied. Upon Delivery, a package returned will be charged the rate calculated from the pickup location to the destination via the service selected.

Packages containing certain items are prohibited from being shipped and are not accepted by UPS for UPS Returns Services including, but not limited to, Hazardous Materials packages requiring shipping papers, firearms, and packages requiring Delivery Confirmation Adult Signature Required service.

C.O.D. (Collect on Delivery) service is not available for UPS Returns Services packages. Third-Party Billing is not available for UPS Returns Services in the United States. Third-Party Billing is available for UPS Returns Service outside the United States.

UPS Returns Services packages are subject to maximum declared values. See section 49.1, Maximum Declared Values.

36. UPS Rates

The applicable UPS Rates are determined on the basis of package and shipper characteristics, including package weight and size and origin to destination distance, and are subject to change. Except as otherwise stated in the Terms, all charges, fees, or surcharges shall be those set forth in the UPS Rates in effect at the time of shipping.

To determine the amount of any Charges for UPS service, consult the UPS Rates in effect at the time of shipping. The effective UPS Rates are available at www.ups.com and upon request at the local UPS office.

Shippers are responsible for providing accurate and complete shipment information on the Source Document or in

the UPS Automated Shipping System used, including service selected, number, weight, and dimensions of packages. If any aspect of the shipment information is incomplete or incorrect as determined by UPS in its sole discretion, UPS may adjust Charges at any time.

UPS reserves the right in its sole discretion to use any mode of transportation whatsoever to provide the service selected by the shipper. Regardless of the mode of transportation used, the effective UPS Rates for the service selected by the shipper shall apply. If, however, a shipper selects a UPS service to a destination for which only a higher level of service is available, UPS will substitute the next higher level of available service and will charge the corresponding rate for the substituted service.

36.1 Daily Rates, Standard List Rates, and Retail Rates

Daily Rates apply to UPS account holders who have a UPS Scheduled Pickup account established prior to January 3, 2011, and to UPS account holders with a customized shipping agreement that provides for Daily Rates.

Standard List Rates apply to UPS account holders who have a UPS Scheduled Pickup account established on or after January 3, 2011, and to UPS account holders with a customized shipping agreement that provides for Standard List Rates. Standard List Rates also are available upon request to UPS account holders who receive Retail Rates and have average shipping revenue of at least \$50 per week for a consecutive four-week period, excluding the month of December.

UPS account holders who receive Standard List Rates but no longer meet criteria to qualify for Standard List Rates may be charged Retail Rates without further notice from UPS. UPS account holders receiving Retail Rates who believe they may qualify for Standard List Rates must contact UPS in order to be considered for Standard List Rates. Upon

request, UPS will then determine whether the UPS account holder is eligible for Standard List Rates, in UPS's discretion. Any rate changes will be applied prospectively only, and no refunds or credits for charges or rates previously assessed will be issued, regardless of eligibility prior to shipment.

Shippers who do not receive Daily Rates or Standard List Rates will be charged Retail Rates.

Retail Rates also apply to packages and shipments processed and paid for at The UPS Store[®] or UPS Customer Centers.

Shippers who drop off at a location of The UPS Store or a UPS Customer Center packages that have already been processed prior to drop off will receive the rates applicable to the transaction.

36.2 Letter Rates

Letter Rates for domestic shipments are available only for UPS Express Envelopes containing correspondence, urgent documents, or electronic media, with an actual weight of eight ounces or less. UPS Express[®] Envelopes containing items other than those listed or weighing more than eight ounces will be assessed the corresponding rate for the applicable weight. For international shipments, Express Envelopes may be used only for documents of no commercial value (which may include electronic media in some countries), with an actual weight of eight (8) ounces or less. UPS Express Envelopes containing other items, or weighing more than eight ounces will be assessed the corresponding Pak Rates.

36.3 Pak Rates

Pak Rates are available only for UPS Worldwide Express Plus[®], UPS Worldwide Express[®], and UPS Worldwide Saver[®] single package U.S. export shipments in UPS Express[®] Envelopes containing correspondence, urgent documents, or electronic media, with an actual weight of more than eight ounces but less than or equal to two pounds; or, for packages

using UPS Express[®] Pak packaging when UPS Pak is selected at the time of shipping, and the declared value of the package for customs is less than or equal to \$100.00. UPS Express Pak shipments weighing more than two pounds will be assessed the corresponding applicable UPS Rates for the shipment.

36.4 Private Express Statutes

The shipper shall comply with the requirements of the Private Express Statutes when using UPS 2nd Day Air A.M.[®] and UPS 2nd Day Air[®] services.

36.5 Rates for Large Packages; Large Package Surcharge

A package is considered a "Large Package" when the package measurements exceed 130 inches in length and girth [(2 x width) + (2 x height)] combined, and are equal to or less than 165 inches.

The rate for a Large Package will be based on the greater of the dimensional weight or the actual weight, and is subject to a minimum billable rate set forth in the UPS Rates applicable to the shipment in effect at the time of the shipping.

A Large Package Surcharge (LPS) will be applied to each Large Package. Each Large Package in a multiple-package shipment may receive an LPS. LPS will not apply to Authorized Return Services UPS Ground packages.

37. Additional Handling Charge

An Additional Handling charge will be assessed for any package that requires special handling, as determined by UPS in its sole discretion, including, but not limited to:

- Any article that is encased in an outside shipping container made of metal or wood;
- Any cylindrical-like item, such as a barrel, drum, pail, or tire, that is not fully encased in a corrugated cardboard shipping container;

–Any package with the longest side exceeding 60 inches or its second-longest side exceeding 30 inches;

–Any package with an actual weight greater than 70 pounds; and

–Each package in a UPS Hundredweight, UPS Ground with Freight Pricing, UPS Standard, or international shipment where the average weight per package is greater than 70 pounds and the weight for each package is not specified on the Source Document or the UPS Automated Shipping System used.

38. Fuel Surcharge

UPS reserves the right to institute a fuel surcharge on some or all shipments without prior notice. This surcharge is subject to adjustment monthly. This surcharge may apply to any domestic or international transportation or other charges including, but not limited to, any accessorial charge or surcharge. The current fuel surcharge is described at ups.com.

Regardless of the mode of transportation used, the effective fuel surcharge for the service selected by the shipper shall apply. This surcharge will be applied to such services and for such periods as UPS, in its sole discretion, may determine necessary.

39. Manual Processing Charges

UPS reserves the right to assess a manual processing charge of \$0.50 per package or \$35 per week (whichever is greater) to shippers who ship packages using a UPS Shipping System that applies outdated UPS Rates until such time as the shipper upgrades the UPS Shipping System to reflect current UPS Rates.

A manual processing service charge will be assessed to each package shipped using a UPS 3 Day Select[®] and UPS Ground shipping document.

40. Billing Options for Domestic Shipments

Unless otherwise agreed to in writing by UPS, shipping charges will be billed to the shipper.

UPS accepts shipments for Collect billing and Third-Party billing, provided the consignee or third party has a valid UPS account number and has agreed to accept the charges. Regardless of the billing option selected, some charges including, but not limited to, address correction charges, will be billed to the shipper.

41. Billing Options for International Shipments

The amount billed includes, but is not limited to, shipping charges, duties, fees, and taxes, if applicable. Unless otherwise restricted in the origin or destination country, shippers tendering packages using a UPS Shipping System may select the payer of shipping charges, duties, and taxes as Shipper, Receiver, or Third Party. UPS accepts shipments for Receiver or Third Party billing provided the Receiver or Third Party has a valid UPS account number and has agreed to accept the charges. In the event of non-payment by the Receiver or Third Party, the shipper is liable for all charges including, but not limited to, duties, fees, and taxes.

An additional Duty and Tax Forwarding Surcharge will apply if the shipper selects a billing option in which duties and taxes are to be paid outside of the destination country.

UPS reserves the right in its sole discretion to request advance payment of shipping charges for any package sent to or from any international destination or origin.

For all shipments where the shipper is not paying the shipping charges, the shipper must notify the bill payer prior to shipping, and agree to pay all charges in the event of non-payment by the bill-to party. The shipper is liable for payment in the event of non-payment by the consignee (or receiver) or third party. All shipments must

have a valid UPS billing option indicated on the UPS Waybill. Regardless of the billing option selected, some charges including, but not limited to, address correction charges, will be billed to the shipper.

42. Disbursement Fee

To expedite customs clearance, UPS may make or process payments of duties and taxes on behalf of the payer as dictated by the billing option selected. An additional fee, set forth in the UPS Rates applicable to the shipment in effect at the time of shipping, will be assessed and billed to the payer.

43. Currency Conversion Rate

Charges to a payer's account in a foreign currency will be converted to the payer's currency using a weekly exchange rate secured through Major Money Center Banks, plus an exchange fee, set forth in the UPS Rates applicable to the shipment in effect at the time of shipping.

44. Missing/Invalid Account Number or Refusal Fee

A processing fee will be charged for a missing or invalid account number when the account number, including the shipper's account number, is missing, the account number is not the correct account number for the bill-to party, the account number is for a receiver or third party who fails to pay the shipping charges, or the package is shipped to an unauthorized consignee. In the event of non-payment by the receiver or third party, the shipper will be billed a refusal fee plus the shipping charges.

45. Shipping Charge Corrections; Audit

UPS reserves the right to bill for Charges based upon the characteristics of, and services requested for, packages actually tendered to UPS. UPS also reserves the right to audit any package and/or invoice to verify service selection, package dimensions, or weight, and applicability of any Charges. As part of that audit, UPS may weigh and measure any package

tendered to UPS using any method UPS deems appropriate, including but not limited to multidimensional measuring devices. UPS may in its sole discretion increase or adjust Charges based on the results of such audit. In the event that a package's dimensions are altered during transit, UPS reserves the right to bill for Charges based on the altered dimensions.

46. Payment of Charges

Except where an alternative payment plan applies, UPS's payment terms require payment in full in advance.

UPS may provide in its sole discretion alternative payment terms to certain of its shippers. UPS, in its sole discretion, shall decide which, if any, of the alternative payment plans described below (see "Alternative Payment Plans") will be made available to the shipper.

A shipper that is not enrolled in any of the Alternative Payment Plans described below shall pay all Charges in advance of shipment, as required by UPS.

Notwithstanding any billing plan that is in effect or payment or billing option selected at the time of shipment, the shipper is ultimately liable for and agrees to pay all Charges, including in the event of insolvency, bankruptcy, non-payment, or refusal to pay by the receiver or third party.

All Charges must be paid in the lawful money of the United States of America.

If a shipper submits package information to UPS through a UPS Shipping System and does not subsequently tender such package to UPS, it is the shipper's sole responsibility to request an adjustment, as set forth below (see Section 46.1, "Invoice Adjustment"). Shippers who fail to do so will be liable for all applicable Charges.

As an accommodation to the shipper, and in UPS's sole discretion, UPS may render invoices or copies of invoices to a third party at the request of the shipper. The shipper remains responsible for the timely payment in full of all Charges owed by the

shipper. By requesting UPS to render invoices or copies of invoices to a third party, the shipper is deemed to authorize the third party to act on behalf of the shipper, and UPS may rely thereon in all respects.

UPS also may in its sole discretion elect to render an invoice that includes amounts owed for services provided by UPS affiliates.

If Charges are paid by payment card, the shipper expressly authorizes UPS to assess any Charges and to obtain payment of the Charges by use of the payment card. If, for any reason, any such payment card transaction is rejected or declined, the shipper will pay to UPS a declined transaction fee of ten dollars (\$10) per incident, in addition to any late payment fees assessed by UPS and any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper. The shipper authorizes UPS to charge the declined transaction fee to the shipper's payment card account or to collect the fee directly from the shipper, at UPS's sole option.

If, for any reason, a negotiable instrument submitted to UPS as payment for Charges is returned to UPS unpaid, or an electronic request for payment is dishonored, UPS may charge the shipper a dishonored payment fee of twenty dollars (\$20) per incident, in addition to any late payment fees assessed by UPS and any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper.

UPS may provide trade credit information on its shippers to commercial reporting agencies.

46.1 Invoice Adjustment

Shippers requesting an invoice adjustment (e.g., adjustment of Charges based on an incorrect rate, billable weight, account number, failure to tender a package, type of service, shipping charge correction, etc.) or a refund due to a duplicate payment must notify UPS of the request within 180

days of receiving the contested invoice, or any billing dispute is waived. Notification to UPS of a request for an invoice adjustment must be made in writing using one of the following methods:

–Submit a request through UPS's online Billing Center at ups.com/billing;

–Email a request to UPS through ups.com[®]; or

–Mail a request to United Parcel Service, P.O. Box 660650, Dallas, Texas 75266-0650;

The notification to UPS must include the date of shipment, the tracking number for each disputed charge, and the reason for the disputed charge. A partial payment against an invoice is not considered a request for an invoice adjustment or notice to UPS of a disputed charge. UPS reserves the right to refuse to issue any invoice adjustment until all outstanding charges owing to UPS have been paid in full.

46.2 Alternative Payment Plans

Where UPS elects to make an alternative payment plan available to the shipper, UPS may render an invoice to the shipper on a weekly (i.e., seven days) or a monthly (i.e., four or five calendar weeks) basis. A weekly invoice will include the Charges incurred in the previous week. Notwithstanding that UPS has elected to render an invoice to the shipper on a weekly basis, an invoice may be issued only when the shipper has incurred aggregate Charges in excess of ten dollars (\$10), or when five (5) calendar weeks have elapsed from the date of issuance of the last invoice, whichever event occurs first. A monthly invoice will include the Charges incurred for the four- or five-week period for which the invoice is issued. In its sole discretion, UPS may offer one or more of the following alternative payment plans for the payment of Charges:

–Electronic Funds Transfer Plan (Debit EFT)

By written agreement with UPS, the shipper will provide UPS with the shipper's bank account number and bank routing number to enable UPS to electronically request payment, for all Charges incurred by the shipper, directly from the shipper's bank, on a weekly or monthly basis. The shipper's bank will remit the amount requested to UPS and deduct that amount from the shipper's bank account. Payments to UPS will be shown on the shipper's bank statements. The shipper is responsible for payment of any fees imposed by the shipper's bank. Additionally, the shipper will receive a weekly or monthly invoice, as applicable, except as described above, from UPS listing the services provided for the applicable billing period. If, for any reason, an electronic request for payment is dishonored, the shipper is responsible for making a timely payment directly to UPS. Past due balances will be subject to any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper. No late payment fee shall be assessed with respect to the Electronic Funds Transfer Plan.

–Monthly Prepayment Plan

By written agreement with UPS, the shipper will make a prepayment with UPS in an amount equal to four weeks' anticipated Charges as estimated by UPS. Upon notice to the shipper, the required prepayment amount may be changed by UPS at any time to reflect a revised estimate of four weeks' Charges. All prepayment amounts will remain on account with UPS. No interest will be paid or accrued on the prepayment amounts.

The Charges incurred for the applicable month will be totaled and billed to the shipper on a monthly basis. Payment is due within seven (7) days after receipt of the UPS invoice. Past due balances will be subject to a late payment fee as described below in addition to any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper.

–Weekly Prepayment Plan

By written agreement with UPS, the shipper will make a prepayment with UPS in an amount equal to four weeks' anticipated Charges as estimated by UPS. Upon notice to the shipper, the required prepayment amount may be changed by UPS at any time to reflect a revised estimate of four weeks' Charges. All prepayment amounts will remain on account with UPS. No interest will be paid or accrued on the prepayment amounts.

Shipper will receive invoices on a weekly basis, except as described above. Each invoice will list the previous period's Charges incurred. Payment for all accumulated Charges will be due within seven (7) days following the shipper's receipt of every fourth invoice; however, if prior to receiving the fourth invoice the shipper's accumulated Charges should equal or exceed the prepayment amounts on account with UPS, then the accumulated Charges will be due within seven (7) days following the shipper's receipt of the invoice requiring such payment. Past due balances will be subject to a late payment fee as described below, in addition to any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper.

–Special Payment Plan

By written agreement with UPS, the shipper may prepay an amount equal to the anticipated Charges for a period of between ten to twenty-six weeks, as estimated by UPS. The Charges actually incurred by the shipper will be deducted by UPS on a weekly basis from the prepayment amounts on account with UPS. Weekly invoices marked as paid will be forwarded to the shipper reflecting the balance of the prepayment amount on account with UPS. When the prepayment amount on account with UPS reaches the minimum balance specified in the written agreement, the shipper is required to make another prepayment for an additional period pursuant to the same agreement, or, if the shipper does not do so, the shipper must make another payment arrangement

with UPS. All prepayment amounts will remain on account with UPS. No interest will be paid or accrued on the prepayment amounts. If the Charges incurred by the shipper exceed the remaining balance of the prepayment amounts on account with UPS, the excess Charges will be due within seven (7) days following the shipper's receipt of the invoice requiring such payment. Past due balances will be subject to a late payment fee as described below in addition to any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper. This payment plan alternative is available only to existing customers already approved for a Special Payment Plan.

–Credit Extension Plan

By written agreement with UPS, the shipper may elect to pay an annual credit extension fee and thereafter receive invoices for Charges incurred by the shipper on a monthly basis with no prepayment requirement. The invoices will be payable within seven (7) days following receipt by the shipper. The credit extension fee is based upon the shipper's total annual Charges, as estimated by UPS, and is subject to change annually by UPS in its sole discretion. To be eligible for the Credit Extension Plan, the shipper must use UPS's transportation services and the Credit Extension Plan solely for business, commercial, or agricultural purposes. A shipper is not eligible for the Credit Extension Plan if the shipper uses UPS's transportation services and the Credit Extension Plan for any personal, family, or household purposes. By using the Credit Extension Plan (if made available to the shipper), the shipper represents, warrants, certifies, and agrees that it will use UPS's transportation services and the Credit Extension Plan solely for business, commercial or agricultural purposes and not for any personal, family, or household purposes. Past due balances will be subject to a late payment fee as described below in addition to any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper.

–Weekly Payment Plan

Each week the shipper will receive an invoice for the previous week's Charges except as described above. The invoice is due within seven (7) days of receipt. No prepayment is required under this plan.

Past due balances will be subject to a late payment fee as described below in addition to any collection costs which may be incurred by UPS in the final collection of Charges owed by the shipper.

–Credit Card Payment Plan

The shipper may elect to pay the previous week's Charges by credit card. The shipper will receive billing detail itemized on its card statement or a weekly invoice, except as described above, from UPS listing the previous period's Charges incurred. The shipper will provide UPS with the shipper's credit information to enable UPS to process Charges incurred by the shipper on a weekly basis.

Shipper acknowledges and agrees that there may be a delay of two or more days between the date that payments are received by UPS and the date that the payments are posted and credited to the shipper's account with UPS. If a UPS remittance advice is attached to the shipper's payment, the payment will be credited accordingly. If no remittance advice is attached to the shipper's payment, the payment will be credited to the shipper's account.

46.3 Late Payment Fee

For the Monthly Prepayment Plan, the Weekly Prepayment Plan, the Special Payment Plan, the Credit Extension Plan, and the Weekly Payment Plan, a late payment fee will be assessed if the shipper's payment is not received by UPS within fourteen (14) days of the invoice due date. Except as otherwise stated below, the late payment fee will equal six percent (6%) of the total past due balance of the shipper's invoice (including without limitation any previously assessed but

unpaid late payment fees) that is fourteen (14) days past due.

In determining the late payment fee for the Monthly Prepayment Plan and the Weekly Prepayment Plan, UPS will apply the prepayment amounts on account with UPS to reduce the calculated base amount on which the late payment fee is assessed, provided, that UPS will so apply the prepayment amounts to the oldest outstanding invoice first, and to each subsequent invoice thereafter, until the prepayment amounts have been fully so applied. If an invoice 14 days past due is fully so covered by the prepayment amount, no late payment fee will apply. If an invoice 14 days past due is partially so covered by the prepayment amount, the late payment fee will apply to the portion not so covered by the prepayment amount.

For the Special Payment Plan, a late payment fee will not be assessed if there has been a positive balance in the shipper's prepayment account with UPS at any time during the 27-day period immediately preceding the transmittal of the current invoice to the shipper. The late payment fee for the Special Payment Plan will be assessed on the "charges this period" of the shipper's invoice (including without limitation any previously assessed but unpaid late payment fees) that is fourteen (14) days past due.

A late payment fee will be assessed only once on each invoice that is fourteen (14) days past due. Each late payment fee will be due and payable within seven (7) days following the shipper's receipt of the invoice that first reflects the assessment of the late payment fee. The late payment fee is in addition to any collection costs that may be incurred by UPS in the final collection of Charges owed by the shipper. Neither the assessment nor the payment of a late payment fee will (a) affect the shipper's responsibility to pay all Charges owed, or (b) in any manner preclude UPS from exercising any of its rights or remedies hereunder or under applicable law.

47. UPS Service Guarantee

UPS guarantees on-schedule delivery of packages shipped via the following services, where available, to all 50 states and Puerto Rico:

- UPS Air Services
- UPS Hundredweight Service[®] Air Services
- UPS 3 Day Select[®]
- UPS Hundredweight Service[®] UPS 3 Day Select[®]
- UPS Ground
- UPS Ground with Freight Pricing
- UPS Hundredweight Service[®] Ground

UPS guarantees on-schedule delivery of packages shipped via the following services, where available, and provided that customs clearance is performed by UPS Supply Chain Solutions[®] brokerage offices designated by UPS for clearing these packages:

- UPS Worldwide Express Plus[®]
- UPS Worldwide Express NA1[®]
- UPS Worldwide Express[®]
- UPS Worldwide Saver[®]
- UPS Worldwide Expedited[®]
- UPS 3 Day Select[®] from Canada
- UPS Standard

In the event UPS fails to attempt delivery within the time published on the UPS website, or as provided when 1-800-PICK-UPS[®] is called, UPS, at its option, will either credit or refund the transportation charges for each such package to the payer only, upon request, provided the conditions set forth in the UPS Service Guarantee are met. Transportation charges do not include other fees or charges that may be assessed by UPS including, but not limited to, fuel surcharges. This is the sole remedy available under the UPS Service Guarantee.

UPS shall not be liable for any damages whatsoever for delayed delivery, except as specifically provided for shipments made under the UPS Service Guarantee. Under no circumstances shall UPS be liable for any special, incidental, or consequential damages including, but not limited to, damages arising from delayed delivery or failure to attempt on-schedule delivery.

UPS may cancel or suspend the UPS Service Guarantee for any service(s), and for any period of time, as determined by UPS in its sole discretion, and without prior notice.

47.1 Conditions

The UPS Service Guarantee is subject to the following conditions:

–UPS’s guaranteed delivery schedule has been obtained by referencing UPS’s website or contacting a UPS Customer Service office. “On-time” or “on-schedule” means, subject to the terms of this UPS Service Guarantee, delivery is attempted within the UPS guaranteed delivery schedule.

–Each package is properly recorded in a UPS Shipping System.

–Each package in a shipment bears the appropriate UPS tracking label and an address label, or a combined label generated by a UPS Automated Shipping System, showing the consignee’s correct name, deliverable address (UPS does not provide delivery to a P.O. Box), and ZIP Code (or postal code for international shipments). In addition, UPS reserves the right, in its sole discretion, to refuse to honor a request for a credit or refund of transportation charges for a package when that package is not accompanied by a UPS Smart Label[®] and timely PLD, at the time the package is tendered to UPS.

–Each package in a shipment bears a UPS Saturday Delivery routing label when optional Saturday service is requested and available.

–Each package is tendered to UPS during UPS’s published business hours. Packages received from or destined to certain locations may require earlier pickup times (available at the UPS website).

–UPS is notified in writing (including by email) or by telephone of a service failure within fifteen (15) calendar days from the date of scheduled delivery and is advised of the consignee’s name and address, date of shipment, package weight, and UPS tracking number.

–For UPS Worldwide Expedited[®] shipments, the guarantee shall apply only to shipments with a U.S. origin or destination and when the billed party is resident in the United States and is responsible for all shipping charges.

UPS reserves the right to refuse any request for a credit or refund when such request is either (a) made by, or (b) based on information obtained by, a party other than the payer of the shipping charges.

47.2 Exclusions

The UPS Service Guarantee does not apply to:

–UPS 2nd Day Air A.M.[®] packages for Residential deliveries.

–Packages tendered pursuant to Drop Shipments, special operating plans, or customized handling or processing arrangements.

–Packages shipped using a UPS Automated Shipping System that is not located at the pickup address assigned to the UPS account number used to ship the package.

–UPS Ground Returns Service packages.

–Packages subject to a Large Package Surcharge or Additional Handling Fee, packages that exceed maximum size or weight limits, or to shipments containing any package subject to a Large Package Surcharge, Additional Handling Fee, or that exceed maximum size or weight limits.

- Shipments made using a Call Tag.
- Packages subject to a Delivery Intercept or Delivery Change Request.
- Packages that are delayed due to causes beyond UPS's control including, but not limited to: the unavailability or refusal of a person to accept delivery of the shipment, acts of God, natural disasters, war risks, acts of terrorism, acts of public authorities acting with actual or apparent authority, acts or omissions of customs or similar authorities, authority of law, insufficient information provided by a customer, Hazardous Materials packages improperly offered for transport, the application of security regulations imposed by the government, or otherwise applicable to the shipment, riots, strikes or other labor disputes, civil unrest, disruptions in national or local air or ground transportation networks (including, but not limited to, UPS's transportation network), disruption or failure of communication and information systems, and adverse weather conditions.
- International shipments for which the shipper has selected the Receiver or Third Party as the payer of any applicable duties and taxes and delivery is delayed until payment arrangements are made.
- UPS Import Control[®] shipments for which the shipper has selected commercial invoice removal.
- UPS Ground shipments or UPS Standard shipments that are picked up or scheduled to be delivered during the fourteen calendar days before December 25.

48. Claims and Legal Actions

Claims against UPS must be filed within strict time limits, including as set forth in Section 46.1 ("Invoice Adjustment") regarding invoice adjustments or billing disputes; Section 48.3 ("Time Limit For Filing Claims For Loss Or Damage To Property") regarding claims for loss or damage to property; and pursuant to the UPS Service Guarantee.

All claims against UPS arising from or related to the provision of services by UPS, including, but not limited to, demands for damages, refunds, credits, and any legal or equitable relief whatsoever, shall be extinguished unless the shipper or claimant (1) timely and completely complies with all applicable notice and claims periods set forth in the Terms and in the Service Guide, including as to claims for loss or damage to property, claims under UPS's Service Guarantee, or claims for invoice adjustments; and (2) pleads on the face of any complaint filed against UPS satisfaction and compliance with those notice and claims periods as a contractual condition precedent to recovery.

Claimants may not deduct the amounts of pending claims from any charges owed to UPS, and the shipper waives any and all rights, including any statutory or common law rights, to set off the amount of any claim against charges owed to UPS.

48.1 Filing of Claims for Loss or Damage to Property

All claims for loss of or damage to property transported or accepted for transportation must: (1) be in writing (or an electronic communication) and must include reference to the Source Document or pickup record number and date of shipment or copies of other documents sufficient to identify the shipment involved, and the declared value; (2) assert the liability of UPS for alleged loss or damage; (3) make claim for payment of a specified or determinable amount of money; and (4) be accompanied by a copy of the original invoice or, if no invoice was issued, other proof, certified to in writing, as to the purchase price paid by the consignee (where the property involved has been sold to the consignee), actual cost or replacement cost of the property, or extent of the damage to the property.

A request for proof of delivery does not constitute the filing of a claim.

No claims will be voluntarily paid unless filed in writing or transmitted electronically

by or on behalf of the shipper in accordance with these provisions.

48.2 Acknowledgment of Claims for Loss or Damage to Property

After receiving a proper written or electronic transmission of a claim in the manner and form and with the supporting documents described in Section 48.1 (“Filing of Claims for Loss or Damage to Property”) and Section 48.4 (“Investigation of Claims for Loss or Damage to Property”) herein, UPS or its designee will acknowledge the receipt of such claim in writing or electronically to the claimant within 30 days after the date of receipt, unless such claim has already been paid or denied in writing or electronically. UPS will at the time each claim is received create a separate file and assign thereto a successive claim file number and note that number on all documents filed in support of the claim and all records and correspondence with respect to the claim, including the written acknowledgment of receipt and, if in its possession, the Source Document and delivery receipts, if any, covering the shipment involved. At the time such claim is received, UPS will cause the date of receipt to be recorded on the face of the claim document, and the date of receipt will also appear on the acknowledgment of receipt sent to the claimant.

48.3 Time Limit for Filing Claims for Loss or Damage to Property

As a condition precedent to recovery, all claims for loss or damage to property must be filed in writing or electronically with UPS within the following time limits:

–For domestic shipments, claims must be filed within nine months after delivery of the package or, in case of failure to make delivery, within nine months after a reasonable time for delivery has elapsed.

–For international shipments, claims must be filed within sixty days after delivery of the package or, in the case of non-delivery,

within sixty days after a reasonable time for delivery has elapsed.

–Suits shall be instituted within two years after denial of any portion of the claim. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims shall be deemed waived and will not be paid.

48.4 Investigation of Claims for Loss or Damage to Property

–**Prompt Investigation.** Each claim for loss or damage to a package or shipment filed in the manner prescribed herein will be promptly and thoroughly investigated, if investigation has not already been made prior to receipt of the claim.

–**Supporting Documents.** Each claim must be supported by the following: (1) evidence of payment of the shipping and any declared value charges; and (2) either the original invoice or, a photocopy, exact copy, or extract of, the original invoice, a certification of prices or costs, with trade or other discounts, allowance, or deductions of any nature whatsoever and the terms thereof, or depreciation reflected thereon. Where the property involved in a claim has not been invoiced to the consignee shown on the bill of lading or receipt, where an invoice does not show price or cost, where the property involved has not been sold, or where the property has been transferred at bookkeeping values only, UPS will, before paying a claim, require the claimant to establish the value in the quantity shipped, transported, or involved. UPS reserves the right to request the original shipping record or Source Document.

For an asserted claim of \$1000 or more for a package shipped as a result of a request for service made through the internet, the shipper must provide a copy of the signed receipt obtained from UPS at the time of tender to support the claim.

For an asserted claim of \$1000 or more for an international UPS Returns[®] or a UPS Import Control[®] package, the signed UPS high-value shipment summary applicable to

the shipment must be submitted in support of the claim.

By filing a claim and supporting documents to UPS, the claimant certifies that the claim, amount of claim, and supporting documents are true and correct.

–Original Packaging Materials. In the event that a claim is made for damage to a package, the original packaging materials must be made available to UPS or its designee for inspection.

–Verification of Loss. When an asserted claim for loss of an entire package or an entire shipment cannot be otherwise authenticated upon investigation, UPS will obtain from the consignee of the shipment involved a certified statement in writing that the property for which the claim is filed has not been received from UPS or from any other source. UPS reserves the right to require verification by the filing of a police report and providing a copy of the filed report to UPS in support of the claim.

48.5 Salvage

When UPS pays the actual cost, the purchase price, or the replacement cost of the property, all rights, title to, and interest in the property shall thereupon pass to UPS, and UPS reserves the right to obtain the property for salvage. Payment of a claim in such circumstances shall be contingent on UPS's receipt of the damaged property in the same condition as on the date the damage was incurred.

48.6 Disposition of Claims for Loss or Damage to Property

UPS or its designee, after receiving a written claim for property transported, will pay, decline, or make a firm compromise settlement offer in writing to the claimant within 120 days after UPS receives the claim; provided, however, that if the claim cannot be processed and disposed of within 120 days after receipt, UPS or its designee will at that time and at the expiration of each succeeding 60-day period while the claim remains pending, advise the claimant in writing of the status

of the claim and the reason for the delay in making final disposition thereof and shall retain a copy of such notice to the claimant in its claim file.

No claim for loss or damage shall be paid unless a valid claim has been filed in accordance with terms set forth herein (in Section 48.1, "Filing of Claims for Loss or Damage to Property," Section 48.3, "Time Limit for Filing Claims for Loss or Damage to Property" and Section 48.4, "Investigation of Claims for Loss or Damage to Property"). UPS reserves the right to refuse to pay any claim for loss or damage to property until all outstanding charges owing to UPS have been paid in full.

49. Responsibility for Loss or Damage

UPS's liability for loss or damage to each UPS domestic package or international shipment is limited to a value of \$100, except as set forth below. Unless a greater value is recorded in the declared value field of the UPS Source Document or the UPS Automated Shipping System used, the shipper agrees that the released value of each domestic package or international shipment is no greater than \$100, which is a reasonable value under the circumstances surrounding the transportation, and that UPS shall not be liable for more than \$100 for each domestic package or international shipment.

To increase UPS's limit of liability for loss or damage above \$100, the shipper must declare a value in excess of \$100 for each package in the declared value field of the UPS Source Document or the UPS Automated Shipping System used and pay an additional charge. The shipper cannot declare a value in excess of the maximum allowable limits set forth below. UPS shall not be liable under any circumstances for an amount in excess of the declared value of a domestic package or international shipment. When a shipper declares a value in excess of \$100, it does not receive any form of insurance. Shippers desiring cargo insurance, all risk insurance, or

another form of insurance should purchase such insurance from a third party.

The rules relating to liability established by the Convention for the Unification of Certain Rules Relating to International Carriage by Air signed at Warsaw, Poland, on October 12, 1929, that convention as amended, or the Convention for the Unification of Certain Rules for International Carriage by Air (Montreal, 28 May 1999), shall apply to the international carriage of any shipment insofar as the same is governed thereby. There are no stopping places which are agreed upon at the time of tender of the shipment, and UPS reserves the right to route the shipment in any way UPS deems appropriate.

49.1 Maximum Declared Values

The maximum declared value per package is \$50,000, except for the following packages for which the maximum declared value may not exceed:

–\$5,000 per package for a package shipped as a result of a request for service made through the internet;

–\$500 per package for a package shipped via a UPS Drop Box;

–\$1000 per package for a package shipped via a Third-Party Retailer if such package was previously manifested using a Source Document, UPS Automated Shipping System, or UPS Internet Shipping, prior to drop off at the Third-Party Retailer;

–\$500 per package for international shipments containing jewelry (not including costume jewelry);

–\$1000 per package for domestic packages returned via UPS Print Return Label, UPS Print and Mail Return Label, Electronic Return Label, or 1 UPS Pickup Attempt Return Services, (including via UPS Returns[®] on the Web), and UPS Returns[®] Flexible Access;

–\$1000 per package for international shipments returned via UPS Print Return Label, UPS Print and Mail Return Label, Electronic Return Label, 1 UPS Pickup Attempt, or 3 UPS Pickup Attempt Return Services, (including via UPS Returns on the Web) unless a UPS high-value shipment summary is obtained by the shipper or person tendering the package and signed by the driver upon tender of the shipment;

–\$1000 per package for international UPS Import Control[®] shipments unless a UPS high-value shipment summary is obtained by the shipper or person tendering the package and signed by the driver upon tender of the shipment;

–\$1000 per package for packages shipped by a Third-Party Retailer if no high-value control log was provided to UPS on tender of the package;

–\$999 per package for packages shipped via Shipper Release service.

Shippers cannot declare a value for UPS Prepaid Letters.

Declaring a value in the declared value field of the UPS Source Document or UPS Automated Shipping System used does not increase UPS's limitations of liability for, and shippers may not declare a value for, damages related to providing or failure to provide C.O.D. service, including, but not limited to: failure to collect the C.O.D. amount; failure to collect the specified form of payment; collection of an instrument in the wrong amount; failure or delay in delivering the collected instrument to the shipper; or collection of forged, insufficient funds, or otherwise invalid instruments.

Any declared value in excess of the maximums allowed in the applicable Terms or Service Guide is null and void. Acceptance for carriage of any package or shipment bearing a declared value in excess of the allowed maximums does not constitute a waiver of any provisions of the Terms or Service Guide limiting UPS's liability or responsibility for any such package or shipment.

49.2 Liability Limits

Whenever property is damaged or lost by UPS in the course of transportation, UPS's maximum liability per domestic package or international shipment shall not exceed the lesser of:

–\$100, when no value in excess of \$100 is declared on the Source Document or UPS Automated Shipping System used (or when a value in excess of \$100 is declared, but the applicable declared value charges are not paid);

–the declared value on the Source Document or UPS Automated Shipping System used when a value in excess of \$100 is declared and the applicable declared value charges paid;

–the purchase price paid by the consignee (where the shipped property has been sold to the consignee);

–the actual cost of the damaged or lost property;

–the replacement cost of the property at the time and place of loss or damage; or

–the cost of repairing the damaged property.

UPS's liability for packages containing the following commodities shall be limited as follows:

–**Checks.** UPS's liability for a package containing a check or checks is limited to the cost of stopping payment on and reissuing the check(s), not to exceed \$100 per package. In no event shall UPS be liable for the face value of the check(s).

–**Phone Cards, Tickets, Gift Cards, and similar.** UPS's liability for a package containing a phone card, ticket (such as event or airline ticket), gift certificate, gift card, coupon, or other similar printed matter with an exchange value is limited to the cost (which shall not include any amount of the value attached to the card, certificate, or coupon, or similar printed matter) of replacing the physical card(s), certificate(s), or printed matter, not to

exceed \$100 per package. In no event shall UPS be liable for the face value of any phone card, ticket, gift certificate, gift card, coupon, or similar printed matter.

–**Media.** UPS's liability for loss or damage to a package containing documents, film, photographs (including negatives), slides, transparencies, videotapes, compact discs, laser discs, computer tapes, and media of similar nature is limited to the replacement cost of the media on which the content is recorded.

–**Pairs, Parts.** In the event of loss of or damage to a pair or set of articles, UPS's liability is limited to the value of that part of the pair or set which is lost or damaged, and UPS shall not be liable for the value of the whole pair or set. In the event of loss of or damage to any part of property (including any part of a machine) which, when complete for sale or use, consists of several parts, UPS shall be liable only for the value of the part lost or damaged, not to exceed the declared value of the part lost or damaged. In no event shall UPS be liable for the value of the complete item.

49.3 Exclusions from Liability

UPS shall not be liable or responsible for:

–loss or damage to articles of unusual value (as defined in these Terms);

–loss or damage to Prepaid Letters;

–loss or damage to any package resulting from insects, moths, vermin, inherent vice, deterioration, dampness of atmosphere, extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS;

–loss or damage to any package resulting from improper, inadequate or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in the Terms or at ups.com;

–loss or damage to Perishable Commodities to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the item;

–loss or damage to human remains, fetal remains, human body parts, or components thereof;

–loss or damage to fluorescent tubes or bulbs;

–loss or damage due to acts of God, natural disasters, war risks, acts of terrorism, nuclear damage, acts of public authorities acting with actual or apparent authority, acts or omissions of customs or similar authorities, authority of law, the application of security regulations imposed by the government or otherwise applicable to the shipment, riots, strikes or other labor disputes, civil unrest, disruptions in national or local air or ground transportation networks (including, but not limited to, UPS’s transportation network), disruption or failure of communication and information systems, or adverse weather conditions;

–loss or damage to any package for which UPS has no scan or other record reflecting that the package was tendered to UPS by the shipper; or

–loss or damage to any package containing articles that shippers are prohibited from shipping, that UPS does not or is not authorized to accept for transportation, that UPS states that it will not accept, or that UPS has a right to refuse.

UPS shall not be liable for any loss or damage arising from providing service to, or on behalf of, a person or entity that obtains such services, including the delivery of property, by trick, false pretense, or other fraudulent scheme.

UPS shall not be liable for any damages arising from UPS’s inability, failure, or refusal to comply with a request to stop, return, or re-route shipment of a package after tender to UPS.

UPS shall not be liable for any interruption of service due to causes beyond UPS’s control including, but not limited to: the unavailability or refusal of a person to accept delivery of the shipment, acts of God, natural disasters, war risks, acts of terrorism, acts of public authorities acting

with actual or apparent authority, acts or omissions of customs or similar authorities, authority of law, insufficient information provided by a customer, Hazardous Materials packages improperly offered for transport, the application of security regulations imposed by the government or otherwise applicable to the shipment, riots, a government agency hold, strikes or other labor disputes, civil unrest, disruptions of any kind in national or local air or ground transportation networks (including, but not limited to, UPS’s transportation network), disruption or failure of communication and information systems, and adverse weather conditions.

UNDER NO CIRCUMSTANCES SHALL UPS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, DAMAGES ARISING FROM LOSS, MISDELIVERY OF, OR DAMAGE TO PROPERTY, DELAYED DELIVERY, OR FAILURE TO ATTEMPT DELIVERY IN ACCORDANCE WITH THE UPS SERVICE GUARANTEE, WHETHER OR NOT UPS HAD KNOWLEDGE SUCH DAMAGES MIGHT BE INCURRED. UNDER NO CIRCUMSTANCES SHALL UPS BE LIABLE FOR ANY DAMAGES WHATSOEVER FOR DELAYED DELIVERY, EXCEPT AS SPECIFICALLY PROVIDED FOR SHIPMENTS MADE UNDER THE UPS SERVICE GUARANTEE.

Acceptance for carriage of any package or shipment containing articles that shippers are prohibited from shipping, that UPS does not or is not authorized to accept for transportation, that UPS states it will not accept, or that UPS has a right to refuse, does not constitute a waiver of any provisions of the Terms or Service Guide limiting UPS’s liability or responsibility for any such package or shipment.

50. Shipper Indemnification

The shipper agrees to indemnify, defend, and hold harmless UPS, its parent corporation, and affiliated companies, their officers, directors, employees, agents, and

their successors and assigns, from all claims, demands, expenses, liabilities, causes of action, enforcement procedures, and suits of any kind or nature brought by a governmental agency, or any other person or entity, arising from or relating to the shipper's noncompliance with governmental laws or regulations applicable to the package or UPS requirements applicable to the package, from shipper's tendering any prohibited item for shipment, or from shipper's failure to comply with the Terms.

51. Incorporation of Terms; Waiver; Future Changes

All shipments are subject to the terms and conditions contained in the Terms.

UPS may engage subcontractors to perform transportation and incidental services. UPS contracts on its own behalf and on behalf of its servants, agents, and subcontractors, each of whom shall have the benefit of these Terms. No such party has authority to waive or vary any of these terms and conditions.

The effective Service Guide and the description of UPS[®] services at ups.com[®], and any modifications or amendments of them, are hereby incorporated by reference

in these Terms. The current version of the Terms supersedes all previous UPS Tariffs, UPS Terms and Conditions of Service, and UPS Tariff/Terms and Conditions of Service. The Terms and the UPS Source Document for each shipment together comprise the complete and exclusive agreement of the parties, except as modified by any existing or future written agreement between the parties, and may not be contradicted or modified by any oral agreement.

UPS reserves the right to unilaterally modify or amend any portion of the Service Guide or the Terms at any time without prior notice.

Any failure to enforce or apply a term or provision of the Service Guide or the Terms shall not constitute a waiver of that term or provision by UPS, and shall not diminish or impair UPS's right to enforce such term or provision in the future. If one or more provisions of the Terms shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not be so affected or impaired.