

**STANDARD TRADE CONDITIONS OF THE FREIGHT FORWARDING AGENT FOR MEXICO, STC;
VERSION I**

JUSTIFICATION

By recommendation of FIATA and based on the Freight Forwarders' prevailing need to have clear contract conditions that protect their working operations, the present Standard Trade Conditions of the Freight Forwarding Agent for Mexico is issued in its early version by the Mexican Freight Forwarders Association (AMACARGA).

Therefore, in the effort to achieve the highest level of protection for the Freight Forwarders in Mexico, a harmonic analysis of the General Trade Conditions of other countries such as Great Britain, Singapore, Canada & Colombia was completed, and the problematic issues that have been detected and are experienced by the Freight Forwarders when dealing with their clients and suppliers are being studied.

It is of prevailing importance to point out that this document shall have the legal authority to compel the users or clients, as well as to clarify and define the Freight Forwarders' obligations, which therefore will help protect the aforementioned parties against the proceedings of related third parties, without which the Freight Forwarders would not be able to directly protect the interests and issues they are faced with daily.

Therefore, the project presented is the second attempt carried out by AMACARGA to protect the activities of its union members, in a comparative study, syncretic and with a clear and general proposal for the communal use of all its associates, regardless of the sort of logistics they coordinate or carry out.

METHODOLOGY.

The following conditions are divided in Chapters:

- I. Statements.*
- II. Definitions.*
- III. Service requests.*
- IV. The CLIENT.*
- V. The FREIGHT FORWARDER.*
- VI. Handling of dangerous and special goods.*
- VII. Insurance conditions.*
- VIII. Payment rates and conditions.*
- IX. Warehousing conditions*
- X. Responsibilities, fines and compensations*
- XI. Competence*
- XII. Final arrangements*

CONDITIONS FOR INTERPRETING AND ANALYSIS.

A schematic chart was drawn up in Microsoft Office Excel with the information of each of the proposed chapters, comparing it with that of other countries.

The numbering of the Chapters is an initial proposal, awaiting a more complete and thorough revision and the addition or restructuring of this first version we hereby present.

CHAPTER I. **STATEMENTS.**

1. This document exclusively regulates each and every connection between the CLIENT and the FREIGHT FORWARDER, and such connections are regarded as understood and accepted from the moment in which the CLIENT requests a service from the FREIGHT FORWARDER, through any means agreed by both parties.
2. It is understood that the CLIENT is a natural person, legal person or entity, with legal capacity to hire the FREIGHT FORWARDER services.
3. It is understood that the FREIGHT FORWARDER is a natural person, legal person or entity, with legal capacity to hire and provide the herein described services whether as an agent or principal, case sensitive.
4. The legal responsibility that is generated within this document is assumed by the CLIENT and the FREIGHT FORWARDER, and in the case of irregular societies, by the natural persons who represent or constitute them.
5. All parties involved agree that when electronic communication is used to negotiate a matter in whole or in part, such communications have full legal validity.

CHAPTER II. **DEFINITIONS.**

1. The definitions mentioned herein are described in an including but not limiting way.
2. For the purposes of this document, key concepts shall be understood as follows:
 - 2.1. CLIENT. Any person, natural or legal, or entity, that requires the provision of services by the FREIGHT FORWARDER. Whether in the subject of consultancy, advisory, transportation logistics, transport, warehousing, distribution, and the handling and management of merchandise and cargo, and national and international goods or assets.
 - 2.2. FREIGHT FORWARDER. Any person, natural or legal that provides consulting services, advisory, transportation logistics, transport, warehousing, distribution, and the handling and management of merchandise and cargo, and national and international goods or assets, acting as an AGENT or PRINCIPAL.

- 2.3. **CONSIGNEE.** The recipient and/or owner of the aforementioned goods in the Bill of Lading and/or any person that owns or has rights to the possession of the merchandise, who may have a present or future interest.
- 2.4. **GOODS or MERCHANDISE.** Objects or things capable of being transported.
- 2.5. **DANGEROUS GOODS.** Those established with precise quality by International Maritime, Aerial, Overland, etc., Regulations as well as those that could be or become dangerous, flammable or of a radioactive nature, or that are self-harming or toward another property, or the dangerously packaged goods. Goods which could house or originate vermin or other pests, goods that due to the legal, administrative or other obstacles such as its transport, unload or other type of situations could be detained or cause another person or goods to be detained; empty containers previously used for the transportation of dangerous goods, with the exception of those turned into safe; and goods considered by any authority to be dangerous or risk-inducing.
- 2.6. **CONSOLIDATED GOODS.** Merchandise grouping belonging to various consignees, gathered to be transported from a port, airport or land terminal with a destination to another port, airport or land terminal, in containers or in like manner, as long as they are contained within the same transportation unit.
- 2.7. **TRANSPORTATION UNIT.** Packaging case, pallet, container, trailer, ship or any other mechanism utilized for and in relation to the upload of goods by land, sea or air.
- 2.8. **SERVICES.** Any business taken on or advice, information or service provided by the **FREIGHT FORWARDER**.
- 2.9. **SERVICE REQUEST FORM.** Document or order, whether written by phone or electronic sent by any means from the **CLIENT** to the **FREIGHT FORWARDER** for the provision of services.
- 2.10. **CONDITIONS.** Refers to the regulations established in this document and its appendixes.
- 2.11. **ANNEXES.** Any document that applies to and rules regarding the contracting of **SERVICES**.
- 2.12. **AUTHORITY.** Administrative or a legal entity duly constituted who acts within his/her legal powers and practices jurisdiction within any nation, state, municipality, port or airport.
- 2.13. **HAGUE VISBY RULES.** Are the dispositions by the Protocol of the International Convention for the Unification of Certain Rules of Law relating to Bills of Lading, signed in Brussels, on August 25th, 1924, and amended by the Protocol established in Brussels on February 23rd, 1968.
- 2.14. **WARSAW CONVENTION.** Is the Convention for the Unification of Certain Rules related to International Aerial Transportation signed in Warsaw, October 12th, 1929, and amended in The Hague in 1955 and in Montreal in 1995.
- 2.15. **UNCTAD.** United Nations Conference on Trade and Development.
- 2.16. **PRINCIPAL.** Transportation service borrowed directly from the **FREIGHT FORWARDER**.
- 2.17. **AGENT.** Services hired or provided by third parties in favor of the **CLIENT**.
- 2.18. **RATE.** Cost of the services quoted by the **FREIGHT FORWARDER**.
- 2.19. **MANDATE.** Process in which the **CLIENT** entrusts the management of one or more businesses to the **FREIGHT FORWARDER** to become responsible for them on account and risk of the aforementioned.

- 2.20. **FOB.** Free on Board, in its scope established by the International Chamber of Commerce.
- 2.21. **ELECTRONIC COMMUNICATION.** Any message, information or document sent and received by electronic means that produces legal effects.

CHAPTER III.

THE CLIENT.

1. The CLIENT confers in a general manner on the FREIGHT FORWARDER, unless otherwise agreed:
 - 1.1. An unrepresented mandate to hire the transportation of the goods established in each service request form, on behalf of the FREIGHT FORWARDER, but on account of the CLIENT.
 - 1.2. A represented mandate to hire the insurance that covers the risk of the transported goods entrusted, in accordance with the stipulations in this contract, and as long as the CLIENT has provided what is needed for such hiring, under the terms and conditions to his knowledge and acceptance.
 - 1.3. A representative mandates to deliver the goods on behalf of the CLIENT under the terms and conditions stated in the instructions issued by the CLIENT.
2. The CLIENT shall have the following powers and obligations:
 - 2.1. The CLIENT shall request the FREIGHT FORWARDER the services required through the service request form, entrusting their planning, control, coordination and management to their counterpart, through pertinent and feasible instructions.
 - 2.2. The CLIENT guarantees that he is either the owner or the agent authorized by the legitimate owner and also accepts these clauses not solely on his part, but also as an agent from or on behalf of the owner.
 - 2.3. The CLIENT must truthfully provide the FREIGHT FORWARDER with all the information related to the description, value, quantity, volume, weight and other pertaining characteristics of the goods and assets the service relates to in accordance to this document and must guarantee that full information related to the general nature and the danger of the goods or assets, its description, bar code, brands, numbering, weight, volume and quantity, as supplied by the CLIENT or person on his behalf, is correct and complete at moment the FREIGHT FORWARDER, or the third parties hired take the goods in their custody. The CLIENT commits himself to supply a confirmation irrespective of such details as required by the FREIGHT FORWARDER.
 - 2.3.1. In case of concealment or forgery The CLIENT shall take absolute and full responsibility for what may arise; this includes but is not limited to damages caused to the FREIGHT FORWARDER and to third parties, expenses and other economic compensations generated; the CLIENT shall thereby be obliged to testify when goods regarded as dangerous are involved and shall comply with the laws issued for such effect.

2.4. The CLIENT shall be considered to have reasonable knowledge of the matters affecting the conduct of its business, including the terms of purchase and sale, the need for insurance and the extent of the coverage available for the type of goods to be transported, the need to avoid the transmission of viruses through electronic communications, the need for the confidential handling of information related to high-value goods, and other related matters.

2.5. The CLIENT must provide the FREIGHT FORWARDER, at the latest at the time of delivery of the goods, all the necessary information and documentation for transportation in any contracted modality, which must at least contain: "the name and address of the consignee, the place of delivery, the nature, the value, the number, the weight, the volume and the characteristics of the goods, as well as the special conditions for loading and when the goods have special packaging or technical distribution."

2.6. The CLIENT may provide the FREIGHT FORWARDER with the necessary information to determine the routes, the mode and means of transportation of the goods specified in the service requests it makes. The CLIENT shall assume full responsibility for the suitability of its instructions and/or for the choice it makes of such routes, modes and means. It shall also assume any damage that may occur as a result of using such route, mode or means, as long as the FREIGHT FORWARDER, when selecting it, has followed its instructions

2.7. The CLIENT must inform the FREIGHT FORWARDER, at the latest at the time of delivery of the goods, of all the necessary data to carry out the relevant customs procedures for export or import, in accordance with the Applicable Legislation, and shall be responsible for all duties, contributions, taxes and levies in general to which the goods are subject, including fines, late fees and similar derived therefrom. Such responsibility shall be waived if fault or negligence by the FREIGHT FORWARDER is proven.

2.8. The CLIENT must give written instructions to the FREIGHT FORWARDER, within a reasonable time before the goods are arranged for storage or transportation when it requires that it:

1. Process the departure or arrival of the goods before the dates specified,
2. Ensure that the goods are transported, stored or dealt with separately,
3. Process the transportation of goods that could contaminate or affect other goods or could host or originate vermin or pests or that could for any reason put public health at risk,
4. Declare the value or special interest in delivering it to any carrier or terminal.

2.9. By written instructions to the FREIGHT FORWARDER, the CLIENT may transfer to third parties the stored goods together with the right to dispose of them.

2.10. The CLIENT may at any time modify the conditions of the transportation whose contracting is entrusted to the FREIGHT FORWARDER or those of any of the other procedures related to the dispatch, receipt, import, export or handling of the goods. Such modification must be made by any of the means accepted to formulate the service requests.

In these cases, the FREIGHT FORWARDER may accept or reject the modifications. In the event that it accepts them, it must act in accordance with the new instructions and do everything within its reach to modify the contracts that have been entered into; if these could not be changed, the FREIGHT FORWARDER shall notify the CLIENT of such circumstance without involving its responsibility. The FREIGHT FORWARDER, in rejecting them, must state, verbally or in writing, the reasons why it considers that the conditions of the contracts already entered into or to be entered into should not be changed; in this case the initial instructions shall continue to apply.

2.11. Any additional cost generated because of the change issued by the CLIENT will be assumed by the latter.

2.12. The CLIENT expressly authorizes FREIGHT FORWARDER to delegate the provision of the services requested in whole or in part. In case the commission of transportation is delegated, the intermediary party will assume the obligations contracted by the FREIGHT FORWARDER with respect to the hiring of the transportation.

2.13. The CLIENT shall have the right to inspect, directly or through a representative, the goods while they remain under the custody of the FREIGHT FORWARDER during working hours, submitting to the instructions given by the FREIGHT FORWARDER while under its care, for which the latter may appoint a representative.

2.14. The CLIENT declares, under oath to tell the truth, that the goods are lawful and were acquired with funds of lawful origin, requesting that they be treated in accordance with these conditions.

2.16. The CLIENT is especially obligated to:

2.16.1. Report the value of the goods whose transportation is entrusted to the FREIGHT FORWARDER. This value must specify the unit F.O.B. price of each type of goods transported, its quantity and quality, the value of the taxes, packaging, freight, insurance and other applicable expenses.

2.16.2. Receive or have the goods received at the place indicated to the FREIGHT FORWARDER in the service request.

2.16.3. Demonstrate to the FREIGHT FORWARDER, the carrier or the customs authorities, and of any kind, when any of them so requires, the ownership of the goods or the right of disposal it has over them.

2.16.4. Pay, at the time of requesting the services, the value of the services provided and any other sums owed to the FREIGHT FORWARDER, in accordance with the rates established by the latter, pursuant to the corresponding chapter.

3. PAYMENTS AND CONSIDERATIONS

3.1. In order to collect the services, the FREIGHT FORWARDER shall deliver to the CLIENT the tax receipt in terms of the applicable Tax Legislation, which, by requiring electronic means

of issuance of receipts, must be sent electronically to the email accounts provided by the CLIENT to the FREIGHT FORWARDER.

3.2. The parties agree that the invoices sent to said emails shall have all legal effects for their collection and shall be considered accepted within three days of their confirmation of acceptance. In the event of not receiving confirmation of acceptance, they shall be considered accepted within five days of being sent a second time to the addresses indicated by the CLIENT.

3.3. In the event of a change of email addresses for sending or receiving electronic invoices, the party must notify the other party in writing, signed, at least 10 (TEN) days in advance..

4. PACKAGING AND HANDLING OF GOODS BY THE CLIENT.

4.1. If the FREIGHT FORWARDER receives from the CLIENT the Goods already stowed in a Transportation Unit, it shall be the CLIENT's responsibility that the Transportation Unit is in good condition and suitable for the transportation of the Goods to the planned destination.

4.2. If a Transportation Unit, whatever it may be, was not packed, stowed, or arranged by the FREIGHT FORWARDER, the latter shall not be responsible for any loss or damage to its contents if caused due to:

- (i) the way in which the Transportation Unit was packed or filled;
- (ii) the poor suitability of the contents for their transportation in that Unit;
- (iii) the poor suitability or defective condition of the Transportation Unit, considering that, if the Transportation Unit was provided by or on behalf of the FREIGHT FORWARDER, this paragraph shall only apply if the poor suitability or defective condition (a) arose without negligence on the part of the FREIGHT FORWARDER or (b) if it would have been apparent under reasonable inspection by the CLIENT, owner or representative of either, or (c) if it arose as a result of the particularities of the Goods, and such particularities were not notified to the FREIGHT FORWARDER; or
- (iv) the Transportation Unit was not sealed at the beginning of any transportation.

4.3. For this purpose, the CLIENT must deliver the goods duly prepared, packed, wrapped, marked and labeled. The CLIENT guarantees that the preparation, packing, wrapping, marking and labeling of the goods is suitable and sufficient for any handling or operation that may affect them. Exceptionally, the FREIGHT FORWARDER may accept instructions from the CLIENT for the preparation, packing, wrapping, marking and labeling of the goods. In this case, the CLIENT shall be liable that such instructions are sufficient and clear so that any person dedicated to such activities may carry them out and that, if followed, the goods will withstand any handling or operation that may affect them.

4.4. It shall be the strict responsibility of the CLIENT for any losses, damages or breakdowns caused by inadequate or insufficient packaging carried out directly by the CLIENT or on its behalf by a person other than the FREIGHT FORWARDER.

5. Special Conditions. Even when the FREIGHT FORWARDER accepts the CLIENT's instructions to collect freight, taxes, charges, accounts payable or other expenses from the Consignee or another Person, under receipt of a proper request by the FREIGHT FORWARDER and, in the absence of evidence of payment (for any reason) by the Consignee or another Person, the CLIENT remains responsible for such freights, taxes, charges, accounts payable or other expenses.

CHAPTER IV.

THE FREIGHT FORWARDER.

1. THE FREIGHT FORWARDER SHALL HAVE THE FOLLOWING POWERS AND OBLIGATIONS.

- 1.1. To receive instructions from the CLIENT included in the service request form.
- 1.2. To receive the goods established in the service request forms accepted, provided that they adhere to the specifications thereby listed.
- 1.3. To provide the CLIENT with the necessary consultancy for planning, controlling, coordinating and directing the movements entrusted to it.
- 1.4. To sign on its own behalf the transporting agreement in accordance with the instructions provided by the CLIENT.
- 1.5. The FREIGHT FORWARDER offers its services with based on these clauses, which are applicable to all activities or services offered or processed by it, concerning the transportation of goods or the provision of related services, such as warehousing and any other kind of logistic services.
- 1.6. The FREIGHT FORWARDER is required to receive the goods established by the CLIENT in the service request form, whose transportation has been entrusted under the terms stated in this form, and will solely verify the apparent conditions of the goods it receives and, eventually, its packaging, therefore it shall not be held responsible for the content of the transportation units.
- 1.7. If the delivered goods or their packaging appear to be defective or mistreated, the FREIGHT FORWARDER shall inform the CLIENT of these circumstances in a timely manner, in order for appropriate action to be taken. If unable to inform the CLIENT at an appropriate time, the FREIGHT FORWARDER shall take note of these circumstances in the appropriate transport document, file the document, and make a written statement which states the aforementioned circumstance, thus releasing itself from responsibility.
- 1.8. The FREIGHT FORWARDER commits itself to provide the services for planning, designing, coordinating, monitoring, controlling and directing all operations necessary for the moving of the goods or the merchandise described in this document, the different means of transportation, as well as the handling and delivery of the goods to their destination as requested by the CLIENT, as established in the annexes of the present document.
- 1.9. The FREIGHT FORWARDER shall take reasonable care during the fulfillment of its responsibilities, including the selection and instruction of third parties that provide their hired services on the CLIENT's behalf, being required to carry out its duties with a reasonable level of attention, diligence, skill and common sense.

1.10. The FREIGHT FORWARDER may reject the service request form, in whole or in part, within the 3 (three) days following its reception. In case of no reply, it should be regarded as a rejected. If a service request form is rejected by the FREIGHT FORWARDER, the CLIENT may hire the same services outlined in this contract from any other party.

1.11. Likewise, If the FREIGHT FORWARDER has not received the CLIENT's request and is notified by a third party about the shipping of goods or assets as a consignee for its handing, it may reject the merchandise by notifying the relevant authorities of the aforementioned rejection, in order to prevent the shipping of forbidden goods.

1.12. In case the FREIGHT FORWARDER shall take action to preserve shipped goods, the CLIENT shall be held accountable and will cover any expenses incurred, understanding that by acting on these premises, it is not accepting the service request form.

1.13. THE FREIGHT FORWARDER shall supervise the movement of merchandise through any method it deems fit, it is required to notify the CLIENT of any anomaly that may arise during the process, and to be able to modify the transportation conditions, even if turns more burdensome, the purpose being to safeguard the condition of the merchandise. If the FREIGHT FORWARDER is required to incur extra expenses, these shall be covered by the CLIENT as established in this contract. When the FREIGHT FORWARDER deems it necessary to modify the transportation conditions, it shall notify the CLIENT, explaining the reasoning its suggestions are based on. If unable to locate the CLIENT, or if the circumstances do not make previous consulting possible, the FREIGHT FORWARDER will take the measures it deems necessary in order to protect the CLIENT's interests.

1.14. In accordance with the CLIENT's instructions, or when not indicated otherwise, the FREIGHT FORWARDER may freely choose the transporter, methods, means and transport routes that it deems convenient according to the nature of the merchandise, the rules of trading, the terms of the letters of credit, delivery deadlines and any other additional circumstance that might influence said decision. In noteworthy cases, the FREIGHT FORWARDER shall be allowed to divert from the CLIENT's instructions, and hire equivalent means or methods, provided that the entrusted transit is completed.

1.15. The FREIGHT FORWARDER shall have the right, but not the obligation, to divert from the CLIENT's instructions if, to its judgment, there is a justified reason to do so for the CLIENT's own benefit. The FREIGHT FORWARDER shall take absolutely no further responsibilities, aside from those herein described (case sensitive).

1.16. At any moment, the FREIGHT FORWARDER may comply with the orders or recommendations given by any authority.

1.17. It must deliver the goods or merchandise transported by these means, as described in the appendixes of this document or the service request form, and will be delivered at the destination indicated therein, under the established conditions.

1.18. The FREIGHT FORWARDER, upon the CLIENT's request and by own agreement, shall be able to carry out any relevant transactions before any authorities, and shall be allowed to directly hire or execute any commercial transaction needed for the issuing, handling, receipt, import or export of the goods delivered by the CLIENT's.

1.19. When the FREIGHT FORWARDER acts directly before customs authorities, it shall do so on behalf of the CLIENT; likewise, when the FREIGHT FORWARDER has the capacity of a customs agent duly authorized or hires an authorized customs agent, the CLIENT shall be

the one held accountable for any complaint lodged by a third party due to the actions carried out during the completion of the service.

1.20. The FREIGHT FORWARDER's accountability regarding the goods shall end upon delivery of the same, or under any other regulation, in agreement with the orders or recommendations it might receive.

1.21. The FREIGHT FORWARDER shall be able to require an inspection of the delivered goods upon completion of each task, and request a document, from either the CLIENT or other recipients of the goods, according to the stipulations of the contract and the particular instructions of each case, in which their satisfactory reception is stated, and any right to a complaint against the FREIGHT FORWARDER is relinquished.

1.22. The FREIGHT FORWARDER is not obliged to verify the authenticity or authority of the signatories of any communication, instruction or document that might affect the availability of the merchandise. It is the sole accountability of the CLIENT to provide information on who the signatories are and with which document they will be identified.

1.23. In case no person appears to receive the goods and the FREIGHT FORWARDER is compelled to do so, the CLIENT shall assume full accountability for the expiration of the legal terms or contractual complaints to the carrier due to loss or damage done to the goods or due to late delivery.

1.24. If for any reason the delivery can not be completed or if there is a discrepancy over the conditions under which the delivery should be done or who the legitimate recipient of the merchandise is, the FREIGHT FORWARDER shall be allowed to receive it or return it, store it or take any other preventative measure at expense of the CLIENT, recipient or legitimate owner of the merchandise, in a solidary manner. Likewise, the FREIGHT FORWARDER will be allowed to dispose of perishables or goods that are easily damaged by their nature or state.

1.25. The FREIGHT FORWARDER shall not be held accountable for any delay in the delivery of the goods. Any complaint of this nature must be lodged in the presence of the carrier, except those services provided as primary functions.

1.26. The CLIENT shall be the only one accountable for expenses incurred due to fines, delays, warehousing, damage, detriment and any other expense generated.

2. THE FORMS OF SERVICES.

2.1. The FREIGHT FORWARDER shall provide its services either as a Principal or as an agent.

2.2. It is understood that in a general manner the FREIGHT FORWARDER acts as an Agent.

2.3. It is understood that the FREIGHT FORWARDER provides its services as a Principal:

2.3.1. When it undertakes any transporting, handling or storing of goods, but only when the act of transportation is done by the FREIGHT FORWARDER, with self-owned, subcontracted or third party goods, and these goods are in custody and control of the same.

2.3.2. When the Freight Forwarder is hired by the CLIENT under the legal figure of a Multimodal Transport Operator;

- 2.3.3. When the FREIGHT FORWARDER expressly accepts this position in writing.
- 2.3.4. The Principal shall only be updated in relation to the part of the service provided directly by the FREIGHT FORWARDER, by its own means or employees, without taking into consideration the parts contracted by third parties.
- 2.4. When the FREIGHT FORWARDER acts as an Agent, it has the authorization of the CLIENT to propose and carry out contracting on its behalf, carrying out these acts to the letter, despite any deviation from the CLIENT's instructions.
- 2.5. The FREIGHT FORWARDER shall, upon CLIENT's request, provide evidence of any contract it may have signed as the CLIENT's agent. In case it does not fulfill the aforementioned requirement of providing evidence, it shall be understood that the FREIGHT FORWARDER signed the contract with the CLIENT acting as a Principal in order to complete the CLIENT's instructions.
- 2.6. The FREIGHT FORWARDER that expressly accepts to act as a Principal in any of its services shall have complete liberty to provide such services on its own, or to subcontract under any terms all or part of said services.
- 2.7. If the FREIGHT FORWARDER acts as a Principal regarding the transportation of goods or merchandise in any manner (by land, air or sea), the following notification shall be issued: if the transportation involves a final destination or stopover in a country that differs from the country of origin, the Hague (in the case of a transport by sea) and Warsaw Conventions, respectively, might apply, and in most cases, might limit the carrier's accountability regarding loss and damage to the cargo. Likewise, it is stipulated that all parties are subject to the content of the terms of the transportation document (air way bill, waybill, bill of lading, or other) that the FREIGHT FORWARDER might issue while acting as Principal.

CHAPTER V.

THE CUSTOMS BROKER.

1. THE CUSTOMS BROKER SHALL HAVE THE FOLLOWING POWERS AND OBLIGATIONS:

- 1.1. The CUSTOMS BROKER shall at all times conduct itself with responsibility, transparency, integrity and efficiency in the provision of services.
- 1.2. The CUSTOMS BROKER shall comply with all applicable laws, regulations and policies in force, declaring under oath to tell the truth that it has not offered nor will offer and undertakes not to offer in the future, either directly or indirectly, nor to pay or give any item of value to employees, government officials or political party candidates, nor to employees or officials of international organizations, with the intention of improperly influencing in the obtaining or retention of any business, nor to obtain undue advantages in the processing of licenses, permits and governmental authorizations necessary for the Services to be provided.
- 1.3. The CUSTOMS BROKER undertakes to control all the products and goods that have been delivered to it for their customs clearance, until all acts and formalities of customs clearance have been completed; therefore, it shall be responsible for reporting to the CLIENT any anomaly, damage or loss that may be detected when carrying out the preliminary inspection. This report must be made in writing and before the customs clearance of the goods is carried

out in the customs office with prior written authorization of the CLIENT, and must also attach, if applicable, the damage report issued by the corresponding transport company or warehouse.

- 1.4. The CUSTOMS BROKER assumes full responsibility for the penalties that may arise for violations of legal provisions due to mishandling in the customs clearance of goods, being obliged to cover the CLIENT for any fine or levy generated for this reason, as well as other costs and expenses incurred as a result of the foregoing. Likewise, the CLIENT is released from all responsibility, provided that the errors or omissions are attributable to the CLIENT.
- 1.5. The CUSTOMS BROKER undertakes to make, on behalf and in the name of the CLIENT, the payment of taxes and duties generated as a result of customs clearances of goods due to definitive import, temporary import, bonded warehouse, returns, exports and/or any other customs regime, for which the CUSTOMS BROKER shall make the corresponding payments and the CLIENT shall reimburse them, provided that the original receipts issued by the respective authority are presented, duly completed in accordance with the tax laws and in favor of the CLIENT, or of whomever it designates for such purpose.
- 1.6. The expenses originated by insurance, handling, warehousing or others not included, shall be borne by the CLIENT. Said expenses, with prior written authorization by any means, shall be covered by the CUSTOMS BROKER, in the name and on behalf of the CLIENT, who must present the original receipts evidencing such expenses, complying with all applicable tax requirements, and issued in favor of the CLIENT, or of whomever it designates for such purpose. In case there is a balance in favor after making the payment of taxes, duties and corresponding freights, this balance may be applied to the payment of expenses generated by the shipment (handling, preliminary inspections, warehousing, etc.) and may be used for the payment of fees and/or expenses invoiced by the CUSTOMS BROKER.
- 1.7. The CUSTOMS BROKER must apply to the goods intended for importation the preferential tariff treatment covered by the Certificates of Origin and the customs regime described by the CLIENT in its letter of instructions, provided that the Certificates of Origin comply with the requirements of the filling instructions published in the Official Gazette of the Federation. This shall apply for each "customs clearance" service requested by the CLIENT.
- 1.8. The CUSTOMS BROKER undertakes to inform the CLIENT of the change of any of the addresses presented by it, within a period of five business days prior to making the change of address, or failing that, five business days after said change, otherwise any notification made at the address indicated in this contract shall be considered valid. In the event that it is physically impossible to deliver notifications at the indicated address, it shall be understood that they will be made by other means such as fax, telex, email or any other means provided by the CLIENT.
- 1.9. The CUSTOMS BROKER shall be informed by the CLIENT of any situation in the change of its tax data, as well as suspension from the importer's registry, seizures, ongoing Administrative Procedures in Customs Matters at the time of importation or prior to it, and any expansion or cancellation of Export Promotion Programs or Sectoral Promotion Programs or application of tariff preferences established by international trade agreements to which the "CLIENT" is entitled through Certificates of Origin.
- 1.10. The CUSTOMS BROKER shall not enjoy the right of exclusivity. The CLIENT shall at all times have the right to carry out with any third party activities similar to those established in this document.

1.11. The CUSTOMS BROKER is, for all legal purposes, the employer of all persons who, by reason of the provision of the professional service, work or collaborate either directly or not. In no case shall the CLIENT be responsible for the labor relations established with such persons, and if for any reason, any worker of the CUSTOMS BROKER sues the CLIENT, the CUSTOMS BROKER hereby undertakes to be responsible before the CLIENT for all expenses, damages, lawsuits and claims arising from the relations between it and its personnel and/or third parties.

1.11.1. The CUSTOMS BROKER assumes full responsibility for the payment of wages, severance, settlements, taxes and any other obligation related to the labor contracts between it and its employees, its subcontractors and the employees of its subcontractors. For this reason, the CLIENT is not responsible for such obligations, the CUSTOMS BROKER shall indemnify and hold harmless the CLIENT from lawsuits against it and reimburse it for any expense related to this clause.

1.11.2. The contracting parties have no corporate relationship, therefore, the CUSTOMS BROKER may not present itself as legal representative, agent, employee or representative of the CLIENT, and if it engages in any of the behaviors agreed in this clause, it shall be liable for the corresponding damages.

1.11.3. The CUSTOMS BROKER undertakes to hold the CLIENT harmless and reimburse it for all disbursements that may have had to be made for the reasons and causes mentioned, including but not limited to, attorneys' fees.

1.11.4. The CLIENT undertakes not to make job offers to any employee, collaborator and/or subordinate of the CUSTOMS BROKER who works or has worked in the last six (6) months for it from the date of the offer.

1.12. For the collection of services, the CUSTOMS BROKER shall deliver to the CLIENT the expense account(s) no later than 8 calendar days following the date of the customs clearance. Payment thereof shall be made within 30 calendar days following the delivery of the duly completed invoice in accordance with current tax provisions, which, by requiring electronic means of issuance of receipts, must be sent electronically to the email accounts provided by the CUSTOMS BROKER.

1.12.1. In the case of holidays and/or non-business days for the receipt of invoices or their payment, the CLIENT undertakes to inform the CUSTOMS BROKER of the deadline for receipt of the expense account(s) and the approximate date of their payment.

1.12.2. In case of change of email addresses for sending or receiving electronic invoices, the party must notify the other party in writing, signed, at least 10 days in advance.

1.13. The CUSTOMS BROKER may not use the CLIENT's registered trademarks in connection with the services provided, and may only use such registered trademarks with the express prior written consent of the CLIENT.

1.13.1. The CUSTOMS BROKER acknowledges the CLIENT's right, title and interests in all its registered trademarks in connection with the services provided and agrees not to engage in activities or commit any act, directly or indirectly, that may dispute or jeopardize such right, title or interest of the CLIENT.

1.13.2. The CUSTOMS BROKER shall not acquire nor claim rights, titles or interests in or with trademarks adverse to the rights under this document. The provisions of this clause also apply to all patents, copyrights and any type of industrial or intellectual property of the "CLIENT."

1.14. The CUSTOMS BROKER may request access to secret and confidential information obtained from the CLIENT, subject to the signing of a Confidentiality Agreement that is adequate for the CLIENT.

1.14.1. If the CLIENT does not request such Confidentiality Agreement, it shall not constitute a waiver of protection against unauthorized disclosure of the confidential and secret information mentioned in this contract.

1.14.2. Each of the parties agrees to take on its own all reasonable actions including, without limitation, legal proceedings, to enforce compliance by the parties to whom such information is disclosed through written contracts in accordance with this clause.

1.14.3. Each of the parties shall inform all its personnel related to the handling of Confidential Information of the confidential nature of such information and the applicable laws on secret communications.

1.14.4. Likewise, the parties shall limit access to Confidential Information only to their authorized personnel who require it.

1.14.5. Neither party may copy, publish or disclose such information to others or cause or allow its personnel or anyone else to copy, publish or disclose such information or material to third parties without the written knowledge of the party that provided the information.

1.14.6. The parties shall use the Confidential Information only for the purpose and under the terms that may be agreed upon in writing between them, unless they maintain such material in accordance with applicable laws.

1.15. The CUSTOMS BROKER and the CLIENT agree that the obligations and rights may not be assigned or transferred by either party.

2. ON THE MODALITIES OF THE SERVICE.

2.1. The CUSTOMS BROKER shall be obliged to employ all its experience, expertise and professionalism, as well as all necessary mechanisms such as material and human resources and technical support to carry out the provision of its services.

2.2. The CUSTOMS BROKER must carry out all necessary procedures before the competent customs authorities in order to carry out the customs clearances of goods consigned by the CLIENT, in accordance with the procedures of the CUSTOMS BROKER and in compliance with the applicable customs legislation.

2.3. The CUSTOMS BROKER shall provide the CLIENT with the service of Customs Clearance, movement of goods, import and export customs clearance for the correct entry and exit of goods at the national and international level. The services included in customs clearance are:

2.3.1. TRAFFIC OF GOODS:

- Coordinate with the CLIENT's Logistic Actors and suppliers the correct delivery of the goods to be imported or exported and cleared.

2.3.2. CUSTOMS CLEARANCE:

- Import or export the goods in accordance with the provisions of the Customs Law, its

regulations and applicable provisions (Article 54 of the current Customs Law).

- Verify the truthfulness and accuracy of the data and information provided by the CLIENT.
- Determine the customs regime of the goods according to the CLIENT's instructions and provided that it is legally possible.
- Determine the correct tariff classification according to the information provided by the CLIENT of the goods to be imported or exported. Ensure that the importer or exporter has the documents proving compliance with other obligations regarding non-tariff regulations and restrictions applicable to such goods, in accordance with the provisions of the current Customs Law.

2.4. The CLIENT must provide real and adequate data, documents and information for the provision of the service to the CUSTOMS BROKER, excluding the latter from any legal liability that may arise due to incorrect data provided by the CLIENT, among which are:

- 2.4.1. Documents that correctly describe the goods (catalogs, technical sheets, quality certificates, analysis certificates, among others).
- 2.4.2. Invoice or any document covering the commercial value of the goods.
- 2.4.3. Document covering the origin.
- 2.4.4. Documents proving compliance with non-tariff regulations and restrictions.
- 2.4.5. Value declaration.
- 2.4.6. Letter of instructions.

2.5. The CUSTOMS BROKER undertakes to request in writing from the CLIENT the documents necessary for clearance and the funds required to carry out the exports or imports requested by it; the CUSTOMS BROKER shall request them one business day prior to the corresponding customs clearance.

In case the import or export entrusted by the CLIENT to the CUSTOMS BROKER is delayed or stopped due to its failure to notify within the aforementioned time about the required funds and/or documents, the CUSTOMS BROKER shall be responsible for any damage or harm caused to the CLIENT by this fact, being obliged to compensate for such damages or harms.

2.6. The CUSTOMS BROKER accepts in conformity the documentation mentioned in the previous clause, at the time of reviewing the documentation and the goods and noting in the delivery statement that it is complete and correct.

2.7. In the event that the CLIENT does not provide real and adequate data and documents for the provision of the service by the CUSTOMS BROKER, the latter shall be excluded from any responsibility for the payment of contributions imposed by the tax authority as a consequence of the infractions and sanctions provided in the customs legislation and other laws related to foreign trade, for differences in contributions, compensatory quotas, fines and surcharges that may be determined, as well as for non-compliance with non-tariff regulations and restrictions if these arise from inaccuracy or falsity of the data and documents provided by the "CLIENT."

2.8. The CUSTOMS BROKER shall be liable for damages and harms generated by negligence, lack of skill or omissions in the performance of the services provided to the CLIENT up to 100% of the fees charged for the operation to be carried out provided that:

2.8.1. The CLIENT informs in writing that damage and/or harm has been caused; and that it is duly proven.

2.8.2. It is verified through an investigation carried out by the CUSTOMS BROKER and by the CLIENT, to verify that negligence, lack of skill or omission was indeed in the provision of the contracted services.

2.8.3. It is not about damages or harms caused by other actors involved in the handling, logistics, transportation and movement of goods for import or export, citing as an example, but not limited to, those caused by delays, warehousing, losses caused by Port Operators, Shipping Companies, Freight Agencies, Customs, Federal, State or Municipal Authorities, Warehousing Companies, Rail Companies, etc.

2.8.4. It is not about the payment of penalties arising from violations of the applicable customs legislation incurred by other customs brokers different from the customs broker, at the time of customs clearance of goods.

2.8.5. It is not about correspondences, where the omission or negligence of the entrusted correspondent is proven.

2.9. When a tax credit is determined against the CLIENT due to causes attributable to the CUSTOMS BROKER, the latter undertakes to make the necessary corrections in order to regularize the requested imports in accordance with the provisions of the Customs Law and its Regulations and any other applicable regulations. Likewise, it shall indemnify and hold the CLIENT harmless from any liability arising therefrom and shall reimburse it for any expense incurred for said tax credit, including reimbursement of fines, updates, surcharges and attorneys' fees, as well as paying the damages and harms caused by this concept without limitation.

2.10. In case of any error, omission or delay in the payment of taxes and customs processing fees due to causes attributable to the CUSTOMS BROKER, based on the articles indicated in the current Customs Law, it shall resolve the problem at its own expense and cover before the competent authority the payment of the omission, surcharges, interest, updates and/or fines caused, being obliged to hold the CLIENT harmless from any act of authority imposed against it for this concept, reimbursing it for all expenses incurred by the CLIENT for this concept, including payment of attorneys' fees, as well as indemnifying it for the damages and harms caused by this fact.

2.11. In case such error, omission or delay is due to causes attributable to the CLIENT, it undertakes to indemnify and release the CUSTOMS BROKER from all liability that, if applicable, could result from such error, omission or delay or from the lack of timely payment of any related amount.

2.12. The CUSTOMS BROKER shall be excluded from damage and harms generated by delays or failures in the performance of services, when caused by fortuitous events or force majeure that make it impossible to fulfill the provision of services.

2.13. The CLIENT shall have the right to immediately terminate the provision of the service without any liability if it has justified reasons to consider that the CUSTOMS BROKER or any of its employees or representatives have failed to comply with the provisions of this document.

CHAPTER VI.

ELECTRONIC COMMUNICATIONS.

1. The CLIENT accepts that every quotation and request for services must be in writing via fax or email in all cases, for which both parties express and accept as the main contact the email accounts respectively provided by the CLIENT, the FREIGHT FORWARDER and the CUSTOMS BROKER.
2. In case of change, the parties shall give written notice via fax or email of such change. If the corresponding notice is not given, all communications and acceptance of services shall be considered valid and in force.

3. In the case of change of addresses or email accounts by the CLIENT, it must notify to the email provided by the FREIGHT FORWARDER and CUSTOMS BROKER.
4. In the case of change of addresses or email accounts by the FREIGHT FORWARDER or the CUSTOMS BROKER, they must notify to the email provided by the CLIENT.
5. Likewise, both parties declare their acceptance that all services and/or contact between employees, managers, directors and/or partners who have email accounts of the electronic domains of each of the parties and that are herein recognized, shall have legal effect in everything related to the present request and acceptance. Likewise, the domains provided by the FREIGHT FORWARDER, CUSTOMS BROKER and the CLIENT shall be recognized.

CHAPTER VII.

HANDLING OF DANGEROUS AND SPECIAL GOODS.

1. The CLIENT shall comply with the local and international rules that regulate the transportation of dangerous merchandise and shall, without fail, inform the FREIGHT FORWARDER in writing about the exact nature of the potential danger.
2. DANGEROUS GOODS:
 - 2.1. In the absence of such indications, if the FREIGHT FORWARDER, the carrier, an authority and/or a third party duly empowered for that purpose believe that they constitute a risk to life or property, the goods may be unloaded, destroyed or transformed and rendered harmless, as circumstances require and without any compensation being applicable. The expenses and damages that arise shall be borne by the CLIENT.
 - 2.2. If any non-dangerous goods shipped with the FREIGHT FORWARDER's knowledge of their nature become dangerous while under its responsibility, they may likewise be unloaded, destroyed or deposited, without any liability on the part of the FREIGHT FORWARDER.
 - 2.3. The CLIENT undertakes not to deliver for transportation any goods that are of a dangerous, flammable, radioactive, risky or harmful nature without explaining the characteristics of the goods to the FREIGHT FORWARDER. The CLIENT undertakes to mark the goods and the exterior of the packaging or the container in which they will be placed in compliance with any laws or regulations that are applicable during transportation, or to request it from the FREIGHT FORWARDER by written instruction.
 - 2.4. The CLIENT shall indemnify the FREIGHT FORWARDER in the event of loss, deterioration, costs or expenses incurred by the latter as a consequence of the omission of this obligation, insufficiency in its compliance or late execution.
3. Without a prior written agreement from a representative authorized by the FREIGHT FORWARDER, the latter shall not accept or deal with goods or merchandise that require special handling with respect to transportation, handling, or security, whether due to their nature of attracting theft or for other reasons, including, but not limited to, gold or silver bullion, coins, precious stones, jewelry, valuables, antiques, paintings, human remains, livestock, pets and plants. If nevertheless the CLIENT delivers such goods to the FREIGHT FORWARDER or causes the FREIGHT FORWARDER to handle or take charge of such

goods, unless a prior agreement exists, the FREIGHT FORWARDER shall not be responsible for the goods or anything related to them, or for anything arising therefrom.

Except for prior special instructions notified in writing, the FREIGHT FORWARDER shall not accept or handle goods classified as dangerous, nor bullion, precious metals, coins, precious stones, jewelry, valuables, antiques, paintings, plants, livestock, human remains, among others. If the CLIENT, notwithstanding, without the existence of a prior agreement, sends such goods in a manner other than a written agreement, the FREIGHT FORWARDER shall have no responsibility in relation to them. THE TRANSPORTATION OF GOODS PROHIBITED IN THE COUNTRY OF ORIGIN OR DESTINATION IS THE STRICT RESPONSIBILITY OF THE CLIENT.

4. SPECIAL GOODS.

4.1. In the case of merchandise classified as "perishable," the CLIENT must take the precautions that the nature thereof requires for its delivery. The FREIGHT FORWARDER shall not assume any responsibility for deterioration or losses arising from delays due to inspection by government authorities, lack of space on carrier lines, delays in connections and, in general, for all those causes that are not attributable to conduct by the FREIGHT FORWARDER and for the time of transfer or transit of the goods.

4.2. Works of art and other high-value goods described herein are by way of example but not limitation, whose ratio between volume and weight does not correspond—such as bicycles, used vehicles, removals, pens, bamboo furniture or hollow glass—shall be accepted according to the Rates available upon request to the FREIGHT FORWARDER. Duties, taxes and local charges, extra baggage expenses and local delivery expenses are additional to the transportation Rate, unless otherwise stated.

CHAPTER VIII.

INSURANCE CONDITIONS.

1. The insurance of the goods shall solely be hired by the FREIGHT FORWARDER upon request from the CLIENT and if established so by the latter in the service request form, the FREIGHT FORWARDER being permitted to provide the insurance on its own, or through the hiring of a third party (insurance company).
 - 1.1. All hired goods insurance is subject to the usual exceptions and conditions established by the insurance companies or other stakeholders involved.
2. When the goods insurance is neither contracted nor provided by the FREIGHT FORWARDER, the latter may recommend to the CLIENT an insurance agent capable of suitably processing an insurance policy according to the CLIENT's needs. After making this recommendation, the FREIGHT FORWARDER has no further obligation regarding the insurance, and will not be held responsible for any loss or damage to the goods during their transportation or storage that might have been covered by appropriate insurance.

3. In the event that no goods insurance is to be hired, the CLIENT shall be aware that the FREIGHT FORWARDER's responsibility through its acting as Principal shall not exceed the maximum established:
 - 1) **Aerial:** in the Warsaw Convention;
 - 2) **Maritime and multimodal:** in the UN Convention, article 18;
 - 3) **Terrestrial:** in the Federal Roads, Bridges and Auto transport Law, article 66, section 5, and in rule 6 of the International Chamber of Commerce (ICC) and of the UNCTAD.
4. The CLIENT shall be held responsible at all times for expenses that may be generated due to civil responsibility relevant to damages of any nature, in general breakdown in maritime transport, etc.

CHAPTER IX.

PAYMENT RATES AND CONDITIONS.

1. Unless otherwise agreed, consideration for services rendered by the FREIGHT FORWARDER will be covered in the manner and according to the following terms:
 - 1.1. The CLIENT shall pay the FREIGHT FORWARDER, at the moment it requests for the service, the full value of such and any other sum it may incur, according to the accepted payment rate.
 - 1.2. The CLIENT shall pay any expenses that the FREIGHT FORWARDER might incur during the rendering of the service, either in the form of a down payment requested by the FREIGHT FORWARDER, or upon presentation of the corresponding receipts.
 - 1.3. Only if payment upon receipt was agreed upon previously will the CLIENT pay for the service upon confirmation that the shipment was delivered to the accorded destination.
 - 1.4. When through mutual agreement both parties accept that it shall be the consignee who pays for the service, the same will pay at the agreed upon time. However, if the consignee does not pay, the CLIENT will continue to be held responsible for the services.
 - 1.5. In the eventuality that the CLIENT ends up owing some amount to the FREIGHT FORWARDER, the same must pay it within the five days following the express or unspoken endorsement of the owed accounts. If the total amount of said obligations were in a foreign currency, the same will be paid in the legal tender (Mexican peso) at the exchange rates published on the date of payment by the Bank of Mexico.
2. THE FREIGHT FORWARDER:
 - 2.1. Is required to report to the CLIENT its activities, expenses, charter fees, taxes and other proven expenditures, as well as amounts received, within the 15 natural days following the termination of the rendering of a service, in order to determine the total amount and obligations each party is responsible for.
 - 2.2. It has the choice to charge in relation to value, weight or dimensions.
 - 2.3. Additional expenses that may be generated through events or circumstances subsequent to the contracting date shall be charged to the CLIENT, so long as they are properly justified.

2.4. Unless otherwise agreed upon, when dealing with a service paid upon reaching its destination, neither will merchandise nor documents be turned over until the payment for such has been verified. If the consignee of the merchandise rejects, abandons, or for any other reason fails to complete the payment, the CLIENT shall be liable for the payment of the services and expenditures that might originate because of this, the FREIGHT FORWARDER will not assume any responsibility for the reshipping of the merchandise to the point origin or any other destination.

2.5. A credit grant in the CLIENT's favor is not presumable; therefore it must be stated in writing, together with the stipulated terms of payment and interest note must also be made as to what security might also be required.

2.6. The CLIENT shall reimburse the FREIGHT FORWARDER for any expenses derived from deviation, delay and any other increase in expenditure, caused by strikes, acts of war, government measures or circumstances beyond human reach.

3. It shall be considered that the rate is compensation for the services rendered by the FREIGHT FORWARDER, and accepted by the CLIENT. It will be understood that a tariff is accepted when:

- 3.1. If declared as such expressly by the CLIENT, either via email, fax, or signed document of the same.
- 3.2. Upon execution of a service application by the CLIENT.
- 3.3. The validity of the rate is subject to change without prior notice – either due to variations in the exchange rate, cargo taxes, a surcharge made by the carrier or any other unconsidered charge – The CLIENT shall be responsible to cover any increase in rate, charter, premiums or other expenses that might be generated once the movement is initiated.

4. Payments made by the CLIENT to the FREIGHT FORWARDER must be:

- 4.1. In cash, electronic fund transfer, or in any manner accepted by FREIGHT FORWARDER. The sum must be delivered in full and before the due date, no discounts or postpones will be given due to complaints, counterclaims or compensations.
- 4.2. The CLIENT relinquishes the right to compensation, if applicable, against what is owed to the FREIGHT FORWARDER.
- 4.3. An untimely payment will generate interest on all sums owed, calculated from the moment the due date expired till the completion of the payment, at the current legal interest rate.

CHAPTER X.

WAREHOUSING CONDITIONS.

1. The FREIGHT FORWARDER will advise the CLIENT in issues pertaining to the storage of the goods before and/or after transportation or during the execution of the paperwork procedures or compliance with the formalities needed for the issuing, reception and import of these goods. During the development of this obligation the FREIGHT FORWARDER must,

ZACH LOGISTICS, S.A. DE C.V.

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comentarios@zach.mx

as per the CLIENT's instructions, select the warehouse in which the goods are to be stored at embarking, destination or intermediary sites.

2. Whether the storage of the goods be entrusted to a third party or be carried out directly by the FREIGHT FORWARDER, the CLIENT must, aside from the information indicated in the service request form, include the following information.

2.1. Full name of the recipient of the goods.

2.2. Name of the carrier, multimodal carrier operator or carrier commission agent, in each case, whenever the transportation is not undertaken by the FREIGHT FORWARDER.

2.3. A detailed and explicit description of the goods, including their type and nature, number of packages, technical data, dimensions, weight, quality and, in general, any information that may be regarded as necessary for suitable warehousing.

3. In case the warehousing takes place in a General Deposit Warehouse, the FREIGHT FORWARDER may appear as owner of the goods for the sake of the issuing of the respective Certificate of Deposit and security bond, when applicable. In these cases, the FREIGHT FORWARDER may endorse such security in favor of the CLIENT, the recipient of the goods, their legitimate owners or any of their representatives, in which case the order will be understood as completed and the obligations terminated.

4. SPECIAL CASES:

4.1. In case the goods being transported require warehousing due to unforeseeable circumstances and unrelated to the FREIGHT FORWARDER (for example: the non-submission, loss or substitution of documents, embargoes by competent authorities, etc.), the warehousing costs generated with respect to timing, volume, weight and value agreed upon the site shall be covered by the CLIENT, with the knowledge that the CLIENT has previously been informed of which goods need to be stored.

4.2. If the CLIENT, consignee or legitimate owner of the goods fails to pick up the shipment at the time and place previously established, when and where the FREIGHT FORWARDER is authorized to deliver them, the FREIGHT FORWARDER may store the goods, at the risk of the CLIENT, consignee or legitimate owner, situation in which the FREIGHT FORWARDER's responsibility with respect to the goods, or part of them, would end completely. All the expenses generated by such warehousing shall be covered by the CLIENT, as a result of its failure to receive the shipment in a timely manner. The CLIENT grants the FREIGHT FORWARDER the authority to, at its expense, dispose of, or sell off (through the sale of or through any other reasonable method under any circumstances), those goods that have been stored for more than 60 days and have not been delivered as established, after having warned the CLIENT in writing at least 5 days in advance, or without prior notice if unable to locate the CLIENT and a reasonable effort has been made to contact them.

CHAPTER XI.

RESPONSABILITIES, FINES AND COMPENSATIONS.

1. The Freight Forwarder and the CLIENT each assume their respective responsibilities in the eventuality of a failure to fulfill any stipulation agreed upon in the present contract.

2. Regarding the CLIENT:

2.1. The CLIENT must compensate the FREIGHT FORWARDER for any loss, damage, deterioration, and/or extra expense, as well as for any responsibilities the latter may have assumed before third parties, derived from following the CLIENT's instructions, or that may come up due to negligence or failure to comply by the CLIENT.

3. Regarding the FREIGHT FORWARDER:

3.1. It shall be responsible for the losses or damages caused to the Goods, from the moment it takes charge of them until their delivery; such responsibility includes serious and intentional acts or omissions that the CLIENT proves to be attributable to the FREIGHT FORWARDER, and provided that the user does not obtain or cannot obtain compensation from an insurance company or third parties.

3.2. The amount for any claim in which the FREIGHT FORWARDER is responsible shall in no case exceed \$666.67 SDR (Special Drawing Rights) or the cost of the freight. Only if the CLIENT requests it in writing, the FREIGHT FORWARDER may accept a liability that exceeds these limits, provided that the CLIENT pays the FREIGHT FORWARDER the additional charges for the increase in liability.

3.3. The FREIGHT FORWARDER is exempt from all liability in the event of:

- 3.3.1. Acts or omissions of the CLIENT.
- 3.3.2. Insufficiency or defective condition of the packaging, marks or numbers.
- 3.3.3. The cargo, stowage or unloading having been handled by the user or by a third party acting on its behalf.
- 3.3.4. Inherent defect in the nature of the goods.
- 3.3.5. Strike, work stoppage or any other obstruction to work, whose consequences cannot be avoided by the agent.
- 3.3.6. Exemption of liability for non-compliance with instructions received from the CLIENT after the issuance of the Service Request document.
- 3.3.7. Confiscation of the goods or any other act of authority.
- 3.3.8. If, for any reason beyond the will of the FREIGHT FORWARDER, the transportation is not carried out, there shall be no liability for it.
- 3.3.9. Any cause qualifying as force majeure or fortuitous event.
- 3.3.10. Damages caused on the occasion of the delay in the delivery of the goods.

- 4. The CLIENT must notify the FREIGHT FORWARDER in writing of any claim no later than within 30 calendar days following the date indicated for the delivery of the goods. If notice is not given as required in this clause, the claim shall be legally inadmissible, and no action may be taken against the FREIGHT FORWARDER to enforce the claim.
- 5. If the Goods arrive at destination and the consignee or its duly notified representative does not withdraw them before the expiration of the legal period for them to be considered abandoned, the FREIGHT FORWARDER shall not assume any liability for delays, storage, fines or any charges that may arise both with private parties and with governmental authorities in this regard. The FREIGHT FORWARDER shall not be obliged to carry out any legal and/or administrative procedure in relation to said abandonment.
- 6. The FREIGHT FORWARDER shall have a general right of retention over all the Goods and documents related to the Goods in its possession, custody or control for the current amount

owed by the CLIENT. Storage charges for the retained Goods shall continue to accrue under said right of retention.

7. The FREIGHT FORWARDER shall have the same and the preventive seizure of the goods and the corresponding documents for debts existing and future of the CLIENT, including storage costs and recovery costs of the same, and may likewise execute the seizure in the manner it deems appropriate.

CHAPTER XII.

THE APPLICATION AND COMPETENCE.

1. Any service or activity provided by the FREIGHT FORWARDER, be it free of charge or not, is subject to these clauses, which are considered part of any agreement between the FREIGHT FORWARDER and the CLIENT, and as such must prevail over any contract condition signed by the CLIENT.
2. If any legislation, including rules and directives, applies in a compulsory way to any business embarked on, it will be assumed that these clauses are subject to said legislation in relation to aforementioned business, and nothing in these clauses should be interpreted as a relinquishment by part of the FREIGHT FORWARDER of any of its rights or prerogatives, or as an increase of any of its obligations and responsibilities in accordance to said legislation, and, if any part of these clauses is in opposition to said legislation in any way, that part must, in reference to said business, be invalidated up to that point, and no further.
3. If on issuing a "bill of lading" or a "waybill" to or in name of the FREIGHT FORWARDER that specifies that it enters into the contract as a transporter, the regulations established in said document will have prevalence in the measure that said regulations do not conflict with these clauses.
4. These clauses shall be applied over any complaint or dispute that may result from or in relation to the services rendered by the FREIGHT FORWARDER, and shall be applied to all burdensome or free business carried out by the FREIGHT FORWARDER in benefit of the CLIENT.
5. These conditions, their clauses and any act or agreement they applied to shall remain under the jurisdiction and the application of Mexican laws and the Federal Court of Mexico, relinquishing the parts of any present or future residence that resides beyond said jurisdiction.

CHAPTER XIII.

FINAL ARRANGEMENTS.

1. Both parties may end the contractual relationship they share by means of a written document sent to their counterpart, a written notice at least 30 (thirty) days in advance.
2. With respect to the previous clause, the CLIENT must entrust its procedures to another person. Likewise, it must settle any debts owed to the FREIGHT FORWARDER.
3. The services that are being provided, unless stated otherwise, must be concluded by the FREIGHT FORWARDER, on the terms described in this document. Otherwise, the CLIENT will be required to cover all expenses generated through the cancellation and exchange of the requested services.
4. The contractual relationship may also be regarded as terminated when either party becomes unable to carry out its established objectives, either on one side, or on both.



THESE CONDITIONS ARE ISSUED IN MEXICO CITY, D.F., ON THE TWENTIETH OF DECEMBER OF THE YEAR TWO THOUSAND AND TEN.

THE CLAUSES AND CONTENTS OF THIS DOCUMENT ARE PROPERTY OF THE MEXICAN FREIGHT FORWARDERS ASSOCIATION, A.C. (AMACARGA).

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