

AMERIMEX AIR CHARTERS, L.L.C.
GENERAL TERMS AND CONDITIONS OF SERVICE

1. CARGO

1.1 Prior to the commencement of the charter flight, Customer will furnish AmeriMex with a declaration setting forth the complete description, value (if any declared) and weight of all cargo to be transported on the chartered flight.

1.2 Customer shall properly pack and label the cargo to adequately protect it against damage. AmeriMex retains the right to refuse carriage of cargo that is: (a) improperly packed; (b) not suitable for carriage on aircraft; or (c) cannot be transported in accordance with the provisions herein and laws and government or other rules and regulations. Such right on the part of AmeriMex shall not relieve Customer of responsibility for proper preparation, protection, packing and marking of the cargo nor relieve Customer of any liability for loss or damage resulting from Customer's breach of such responsibility. AmeriMex reserves the absolute right to take whatever steps it deems necessary in its sole discretion to assure the compliance of any item of cargo with the afore stated conditions. AmeriMex retains the right to refuse carriage of cargo for which AmeriMex is prohibited from obtaining such assurance.

1.3 Cargo delivered for transportation which AmeriMex, for any reason stated in paragraph 1.2, above refuses for such transportation, shall be returned to Customer or his agent at the airport of origin at Customer's expense. AmeriMex is not responsible for any cargo that cannot be reasonably loaded within the cube capacity or exceeds the operational weight limitation of the aircraft.

1.4 Cargo accepted by AmeriMex at Customer's Load and Count (CLC) will release AmeriMex from liability for any loss or damage resulting from an incorrect CLC.

1.5 Customer shall provide, at its expense, suitable skids or bases to reduce the floor bearing weight of individual pieces to the aircraft capability or less. Such skids or bases shall be included in the gross weight of the piece.

1.6 In case of mechanical difficulties, damage to aircraft, adverse weather conditions, or other circumstances which, in the opinion of Carrier requires such action, the charter flight may be canceled or delayed at the point of origin or any other point, or any point may be omitted. In the event of the cessation or delay of the flight for any of the above reasons, Customer agrees that AmeriMex will be entitled to the amount as stated in the contract or a prorate in the event that AmeriMex has performed whole or part of the contracted services in regards to the actual flying of the aircraft. However, if Carrier cancels the flight due to above reasons without performing any part of the contracted services, then Customer will not be liable for any payment to Carrier related to the cancelled flight.

1.7 AmeriMex is entitled, but not obligated, to comply with the formalities required by customs, revenue, fiscal, police and other administrative authorities at place of destination or elsewhere, and to advance any duties, taxes and other charges, and to make any disbursement with respect to the cargo, on behalf of, and as agent for, the Customer, and Customer shall be liable for payment thereof. AmeriMex may also entrust completion of these formalities to an agent.

1.8 Customer shall be liable for payment and indemnification of AmeriMex for all unpaid charges, advances and disbursements of carrier and all costs, expenditures, lines, penalties, losses of time, damages and other sums which carrier may incur, suffer or be liable for by reason of articles included in the shipment which are prohibited by law or illegal, or which are insufficiently marked, numbered, addressed, packed and described or for the absence or incorrectness of any export or import license, or any required certificate or document, or for any incorrect Customs valuation or statement of weight or volume.

2. GENERAL CONDITIONS OF CARRIAGE

2.1 It is agreed that no time is fixed for completion of carriage hereunder and that carrier may without notice substitute alternative carriers or aircraft provided, however, that such alternative carrier or aircraft has substantially similar capabilities with respect to speed and load capacity as that contemplated originally under this agreement. Carrier is authorized to select, or deviate from the route notwithstanding the same may be stated on the face hereof, if reasonably necessary. ARROW does not undertake to commence or complete transportation or effect delivery of cargo within any particular time. No employee, agent or representative of AmeriMex is authorized to bind the carrier by any statements or representations of the dates or times of departure, arrival or duration of any flight. If flight is delayed due to maintenance for a prolonged period of time, then Customer has the right to cancel the flight without penalties.

2.2 Carrier shall have exclusive control over chartered aircraft and crews. All persons and cargo aboard aircraft shall be subject to the authority of the Captain in charge and shall comply with all rules and regulations of Carrier including, but not limited to, DOT authority, FAA authority, domestic route authority, and traffic rights.

2.3 It is understood and agreed by the parties that AmeriMex retains the right to utilize the payload on any positioning and de-positioning flight not utilized by Charterer for other cargo and that the revenue from such cargo will be retained by AmeriMex and will not reduce or offset the charges to customer set forth on the face hereof.

3. DECLARED VALUE

3.1 In consideration of AmeriMex's rate for the transportation of any cargo which rate in part, is dependent upon the value of the cargo, customer and all other parties having an interest in the cargo agree and stipulate that unless a higher value is declared and an additional fee paid as provided in paragraph 3.2 the value of the cargo does not exceed US\$9.07 per pound and that Carrier's liability for delay, loss, damage or destruction of the cargo shall not exceed the lesser of US\$9.07 per pound of the actual value.

3.2 Customer may declare a value for a shipment in excess of US\$9.07 per pound. Such declaration must be reflected on the airway bill in the space provided. Customer shall pay an additional charge of US\$0.60 for each \$100.00 or fraction thereof, by which the value so declared exceeds the US\$9.07 per pound. In such event, Carrier's liability for delay, loss, damage or destruction shall not exceed the lesser of the declared value (proportioned, on a poundage basis) or actual value.

4. DEMURRAGE

4.1 Unless otherwise stated on the face hereof, AmeriMex will allow, without additional charge, a maximum of 1 hour layover at point of origin, destination, and during traffic stops for loading and unloading, customs clearance and similar matters without additional charge. Layovers in excess of these maximums (unless specified by AmeriMex in this Agreement) and which are caused by Customer shall be charged to Customer or its agents at the demurrage rates set forth on the face of this contract. These delays shall include, but are not limited to unavailability of cargo for loading at time specified, inadequate or unacceptable packaging of cargo for transportation, delay in receipt of operational permits when responsibility of Customer or its agents delayed, inadequate or unacceptable customs documentation and other paperwork, delay in customs clearance for any reasons; loading and unloading when the responsibility of Customer or its agents etc., and any consequential delays resulting therefrom.

5. CANCELLATIONS

5.1 This contract may be canceled by either party if: (a) the other party commits any material breach of this contract; (b) if the other party becomes bankrupt (or goes into liquidation), commits any act of bankruptcy, or enters into an arrangement with its creditors; or (c) if it is determined that the proposed operation would be in violation of any applicable law, rule, regulation and/or stipulation of any government or tariff.

5.2 If Customer fails to notify AmeriMex of cancellation or fails to tender cargo at the point of departure within one (1) hour of the agreed time, AmeriMex may treat such failure as a cancellation of the flight by Customer.

5.3 In the event this contract is cancelled by Customer prior to the date of operation, the following amount shall be received and retained by AmeriMex as liquidated damages:

- a) Twenty-five percent (25%) of the Price if the Agreement is cancelled within three (3) days prior to the scheduled operation of the Flight.
- b) Fifty percent (50%) of the Price if the Agreement is cancelled within twenty-four (24) hours prior to the scheduled operation of the Flight.

6. CHARGES AND PAYMENT

6.1 Unless otherwise agreed in writing, full payment is due prior to departure of flight.

6.2 All expense for fuel, oil, crew salary and crew expense, landing, parking, and handling fees for the aircraft will be included in the rate. The transportation of cargo to/from airport, tax or any other foreign tax or levies, non-objection fees, duties, royalties and similar charges and the cost of special or accessorial services (such as storage, service, transportation, bracing or related services) requested by Customer or necessary for protection of the cargo and the parties, will be for the account of the Customer.

6.3 AmeriMex is not responsible for the arrangement of or cost of loading or unloading of the aircraft or any trucks, nor for warehousing or palletizing the cargo unless it is expressly stated on the face hereof. Unless expressly provided on the face hereof, any load/unload charges contained in the total price includes only normal manpower and equipment for such service but excludes special expense items such as cargo skidding, shorting, dunnage, protective coverings and special handling equipment such as cranes, heavy-duty forklifts 25,000 pounds or over, horizontal jibs, flatbed trucks, etc. Any such special expense items shall be furnished by Customer.

6.4 Customer shall be liable for the payment of all sums due and payable to AmeriMex on account of this shipment whether said shipment moves prepaid or collect. In the event of non-payment, AmeriMex shall have a lien on the cargo for all sums due and payable to it, and shall have the right to dispose of the cargo, or any part thereof, at public or private sale, with notice, as provided by a applicable law and shall have the right to pay itself first the sale and the balance on the amount due AmeriMex. No sale made pursuant to this paragraph shall discharge liability to a greater extent than the proceeds thereof, less selling expense.

7. LIABILITY AND INDEMNIFICATION AND INSURANCES

7.1 "International Carriage" performed hereunder, is subject to the rules relating to liability established by the Convention for the Unification of Certain Rules relating to International Carriage by Air signed at Warsaw on October 12, 1929 (hereinafter called the "Convention"), or the said Convention as amended by the Protocol signed at The Hague, September 28, 1955. Any contrary term or provision contained herein is hereby superseded and replaced by the applicable Convention rule relating to liability in such cases. The Convention governs and limits the liability of Carrier with respect to loss of or damage to cargo and for death to or injury of passengers (couriers) in "International Carriage".

7.2 Except as the Convention or other applicable laws may otherwise require, AmeriMex is not liable to Customer or to any persons for any damage, delay or loss of cargo or any death or injury to passengers of whatsoever nature (hereinafter collectively referred to as "damage") arising out of or in connection with the carriage of the cargo or transportation of passengers unless such damage is proved to have been caused by the gross negligence or willful misconduct of Carrier and there has been no contributory negligence of Customer, consignee, or other claimant.

7.3 AmeriMex shall not be liable, notwithstanding negligence on its part or on the part of its agents and employees, for any amount in excess of the declared value of the cargo as provided in paragraph 3 hereof or the actual value of the cargo, whichever is less. In case of loss, destruction or damage of part of the cargo, AmeriMex shall not be liable for more than that portion of the declared value or actual value, if less than declared value computed on a prorata basis.

7.4 In addition to and without limiting the generality of paragraph 7.2, AmeriMex shall not be liable for any "damage" or other result caused by: (a) the act or default of Customer; (b) violation of the rules set forth in the Charter Agreement, including but not limited to, improper or insufficient packing, securing, marking or addressing and failure to observe other rules relating to proper shipment; (c) nature of the cargo or defect or inherent vice thereof; (d) acts of God, perils of the air, public enemies, sabotage, hijacking, acts of public authorities, quarantines, riots, strikes, civil commotion, mechanical difficulties, labor disputes, weather conditions or war; (e) acts or omissions of public warehousemen, Customs or quarantine officials, or any other person other than AmeriMex or its agent; (f) compliance with delivery instructions of Customer; (g) differences in weight or quantity caused by shrinkage, leakage or evaporation; (h) the death, injury, or escape of live cargo; (i) the loss of money, bullion, bonds, coupons, jewelry, precious stones, valuable papers or other matter of extraordinary value unless such articles are enumerated herein and declared at their true value and appropriate fee paid; and (j) the spoilage or deterioration of perishable shipments, with the exception of a mechanical breakdown or delays controllable by the Carrier.

7.5 Each party shall arrange that its insurers will waive any rights of recourse against the other party, its employees, agents or sub-contractors.

7.6 AmeriMex shall in no event, be liable for any consequential or special damages, including loss of market, arising from transportation pursuant to the terms of this contract, whether or not AmeriMex had knowledge that such consequential or special damages might be incurred.

8. CLAIMS

8.1 No action shall be maintained unless a written notice, describing the goods concerned, the approximate date of the damage, and the details of the claim, is presented to an office of AmeriMex. In the case of damage to cargo three (3) days from the date of receipt thereof in the case of delay of goods within five (5) days from the date the goods are placed at the disposal of the person entitled to delivery; and in the case of loss (including non-delivery of cargo) within seven (7) days from the date of shipment. Any right to damages against AmeriMex shall be waived unless an action is brought within two years after the occurrence of the events giving rise to the claim.

9. COURIERS

9.1 Couriers designated by AmeriMex or Carrier will be permitted to accompany cargo on flights in accordance with Federal Aviation Administration's regulations without additional charges when necessary for protection of cargo or aircraft. Carrier will refuse passage to any person whose condition in the judgment of the Carrier will involve hazard or risk to himself or other persons or cargo.

9.2 As between AmeriMex and Customer, AmeriMex's liability for the carriage of couriers is limited to direct damage occasioned by its gross negligence and AmeriMex shall not be liable for special or consequential damages including, but not limited to loss of services.

9.3 The Warsaw Convention limits Carrier's liability for death or injury to couriers in international transportation. Couriers must obtain permission from Carrier for such travel prior to boarding.

10. FORCE MAJEURE

10.1 The furnishing of any transportation pursuant to this agreement is subject to and AmeriMex shall not be liable for loss, injury, damage, delay, or other results caused by government requirements, mechanical difficulties, riots, wars, civil commotion, strikes, labor disputes, weather conditions, hijacking, sabotage, acts of God, public enemies, quarantine, the absence of any other cause whether of the same or different nature beyond AmeriMex's control.

11. MISCELLANEOUS

11.1 This contract shall be deemed and understood to constitute the full and complete agreement and all of the understandings, representations, and warranties expressed or implied between the parties hereto, and no agent of AmeriMex or any other person is authorized to bind AmeriMex by any agreement, warranty, representation, promise or understanding not herein expressed and no modification of this agreement shall be binding unless the same is in writing and executed by the parties hereto. No implied warranty shall be included or construed from any of the terms or provisions hereof and any and all implied warranties are hereby expressly excluded from the provisions hereof.

11.2 This agreement shall be construed according to the laws of the State of Texas, U.S.A.