

## CLOCKWORK LOGISTICS, INC. SERVICE GUIDE

This Service Guide sets forth the terms, conditions and rules that govern transportation services provided by Clockwork Logistics, Inc. (“Clockwork”) except to the extent varied by written agreements between Clockwork and a particular shipper that are signed by the President of Clockwork. This Service Guide and any updates or supplements hereto supersedes all previous Service Guides and other prior oral or written statements concerning the rates and conditions of transportation services provided by Clockwork. Clockwork reserves the right to unilaterally modify, amend or supplement the rates, liability limitations features of service, services, terms and conditions without notice, and will provide a copy of the current service guide in paper or electronic form upon the request of a shipper. The current Clockwork Service Guide is available at [www.cwlog.com](http://www.cwlog.com).

### 1. DEFINITIONS

The following definitions apply to the terms and conditions set out below that govern this contract of carriage between you and us:

"we", "us" and "our" means Clockwork Logistics, Inc. (“Clockwork”) and its employees, agents and independent contractors;

"you" and "your" means the sender, consignor or consignee of the shipment, holder of this consignment note, receiver and owner of the contents of the shipment or any other party having a legal interest in those contents;

"carriage" means and includes the whole of the operations and services undertaken by us in connection with the shipment;

"shipment" means any envelope, document, package, parcel, bag, medical sample, satchel or piece of freight given to and accepted by us for carriage and transported under our consignment note.

“prohibited items” means any goods or materials the carriage of which is prohibited by any law, rule or regulation of any country in which the shipment travels.

### 2. YOUR ACCEPTANCE OF OUR TERMS AND CONDITIONS

By giving us your shipment you accept our terms and conditions set out in this Service Guide on behalf of yourself or anyone else who has an interest in the shipment irrespective of whether or not you have signed the front of our consignment note, bill of lading or delivery receipt. Our terms and conditions also cover anyone we use to pick up, collect, transport or deliver your shipment. None of our employees, agents or subcontractors are authorized to waive, alter or modify these terms and conditions. When

you give us the shipment with oral or written instructions that conflict with our terms and conditions we shall not be bound by such instructions.

### 3. LIMITATIONS OF LIABILITY

Clockwork's liability for loss or damage to a shipment is limited to shipper's actual damages or \$50.00 per shipment, whichever is less, unless shipper declares a higher value for carriage as described below. Clockwork will only be liable for loss or damage while goods are in Clockwork's possession.

If shipper wishes to declare a value for carriage in excess of \$50.00 per shipment, shipper must do so in writing and shall pay an additional charge for each additional \$1,000.00 of declared value. If shipper declares a value in excess of \$50.00, Clockwork's maximum liability will be the lesser of shipper's declared value for carriage or shipper's actual damages. The highest declared value Clockwork allows is \$10,050.00 (ten thousand and 50/100) U.S. dollars. If shipper sends more than one package on a waybill, the declared value for carriage of each package will be determined by dividing the total declared value for carriage by the number of packages in the shipment. The maximum declared value for a C.O.D. shipment (for both the carriage of the goods and the C.O.D. Amount) is \$1,000 per shipment.

If shipper declares a value in writing prior to tendering a shipment to Clockwork in excess of \$50.00, additional charges will be assessed at \$1.00 per \$100.00 or part thereof of the amount indicated in the excess liability coverage value box on the front of the Bill of Lading. Total amount of coverage may not exceed the lesser of the actual value of the goods or \$10,000 per shipment. Any partial loss or damage for which the Carrier may be liable shall be adjusted pro rata on the basis of such valuation. There is a \$10.00 minimum charge for Excess Liability Coverage.

Clockwork will not be liable for any damages whether direct or incidental, special or consequential, in excess of the "Value" referred to above, whether or not Clockwork had knowledge that such damage might be incurred, including but not limited to loss of income, profits, interest, utility, loss of sale or loss of market.

Clockwork shall not be liable for shipper's acts or omissions, including, but not limited to, improper or insufficient packaging, securing, marking, or addressing, or for the acts or omissions of the recipient or anyone else with an interest in the package. Also, Clockwork will not be liable for loss of or damage to shipments of items listed elsewhere in the Carriage of Goods Terms and Conditions as items not acceptable for transportation.

Clockwork will not, under any circumstances, be liable for delay in pick-up, transportation, or delivery of any shipment, regardless of the cost of delay.

Further, Clockwork will not be liable for loss, damage, mis-delivery, non-delivery, or delay caused by events Clockwork cannot control, including but not limited to, acts of God, perils of air, weather conditions, acts of public enemies, war, strikes, riots, civil

commotions, or acts or omissions of public authorities (including customs and quarantine officials with actual or apparent authority), or caused by the nature of the shipment or any defect characteristic, or inherent vice thereof. Moreover Clockwork will not be liable for any loss, damage, injury, erasure, or other damage to electronic or photographic images data or recordings in any form.

Packages containing all or part of the following items are limited to a maximum declared value of \$1,000: 1. Artwork, including any work created or developed by the application of skill, taste or creative talent for sale, display or collection. This includes, but is not limited to, items (and their parts) such as paintings, drawings, vases, tapestries, limited-edition prints, fine art, statuary, sculpture, collectors' items, customized or personalized musical instruments. 2. Film, photographic images, including photographic negatives, photographic chromes, photographic slides. 3. Any commodity that by its inherent nature is particularly susceptible to damage, or the market value of which is particularly variable or difficult to ascertain. 4. Antiques, any commodity which exhibits the style or fashion of a past era and whose history, age or rarity contributes to its value. These items include, but are not limited to, furniture, tableware, glassware and collectors' items such as coins, stamps, sports cards, souvenirs and memorabilia. (Collector's coins and stamps may not be shipped. See "Restrictions.") 5. Glassware, including, but not limited to, signs, mirrors, ceramics, porcelains, china, crystal, glass, framed glass, flat panel display screens (all types), plasma screens, and any other commodity with similarly fragile qualities. 6. Jewelry, including, but not limited to, costume jewelry, watches and their parts, mount gems or stones (precious or semiprecious), industrial diamonds and jewelry made of precious metal. 7. Furs, including, but not limited to, fur clothing, fur-trimmed clothing and fur pelts. 8. Precious metals, including, but not limited to, gold and silver bullion or dust, precipitates or platinum (except as an integral part of electronic machinery). 9. Stocks, bonds, cash letters or cash equivalents, including, but not limited to, food stamps, postage stamps (not collectible), traveler's checks, lottery tickets, money orders, prepaid calling cards, bond coupons and bearer bonds. If a shipment is sent pursuant to an airline interline agreement, additional restrictions may apply.

**ANY EFFORT TO DECLARE A VALUE IN EXCESS OF THE MAXIMUMS ALLOWED IS NULL AND VOID AND THE ACCEPTANCE FOR CARRIAGE OF ANY SHIPMENT BEARING A DECLARED VALUE IN EXCESS OF THE ALLOWED MAXIMUMS DOES NOT CONSTITUTE A WAIVER OF ANY PROVISION OF THIS SERVICE GUIDE AS TO SUCH SHIPMENT. EVEN IF A HIGHER VALUE IS DECLARED, OUR LIABILITY FOR LOSS, DAMAGE OR DELAY WILL NOT EXCEED A SHIPMENT'S REPAIR COST, ITS DEPRECIATED VALUE OR ITS REPLACEMENT COST, WHICHEVER IS LESS. WE WILL NOT BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL, IN EXCESS OF THE DECLARED VALUE OF A SHIPMENT, WHETHER OR NOT WE KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES MIGHT BE INCURRED, INCLUDING, BUT NOT LIMITED TO, LOSS OF INCOME OR PROFITS.**

#### 4. CLAIMS REQUIRED TO BE FILED IN WRITING

A claim for loss or damage will not be voluntarily paid by Clockwork unless filed in writing with Clockwork within the time limits specified below.

Minimum filing requirement:

A communication in writing from a claimant, filed with Clockwork within the time limits specified below containing facts sufficient to identify the shipment(s) involved asserting liability for an alleged loss or damage, making claim for the payment of a specified or determinable amount of money, supported by receipts and/or invoices will be considered as sufficient compliance with the provisions for filing claims.

Time limits for filing claims:

As a condition precedent to recovery, claims for lost shipments must be filed in writing with Clockwork within one-hundred eighty (180) days from the time the shipment was tendered. Clockwork shall be allowed a reasonable time in which to locate lost shipments before making settlement, which will be not longer than sixty (60) days from the date of notice of such loss. The date on which the tracing form was received by the Clockwork will be considered as the first day commencing a sixty (60) day period before which a claim will be settled by a firm offer or by a denial.

Upon receipt of a written claim for loss, Clockwork will either (1) pay, (2) decline, or (3) make a firm compromise settlement offer in writing, within one hundred and twenty (120) days after receipt of the claim; provided, however, that if the claim cannot be processed and disposed of within one hundred twenty (120) days after receipt thereof, the Clockwork will, at that time and at the expiration of each succeeding sixty (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 Clockwork will retain a copy of such advice to the claimant in its claim file thereon.

Concealed Damage shall be reported in writing to Clockwork at destination within seven (7) days after delivery of the shipment, and Clockwork or its designated agent shall be given the privilege of making an inspection of the shipment. A claim involving concealed loss or damage must be filed within one-hundred eighty (180) days after delivery of the shipment.

Any suit or action at law to enforce a claim must be instituted within two (2) years and one (1) day after the date of notice in writing is given by Clockwork to the claimant that the claim or any part of parts thereof have been disallowed. Where a claim is not filed or a suit is not instituted thereon in accordance with the foregoing provisions, Clockwork shall have no liability.

#### 5. REROUTING A SHIPMENT

Clockwork may reroute shipments when the reroute is authorized by the shipper. A reroute is a request to change the delivery location or a Hold at Clockwork. An additional fee of \$10.00 will be billed to the account number specified for each rerouted package. An additional charge will apply if the new delivery location is more than five (5) miles from the original delivery location. To reroute a shipment, the shipper must call and provide us with the Clockwork tracking number and the new destination address for the shipment, including a valid contact telephone number for the consignee. We will determine the routing of all shipments, including the mode of transportation used, and may use air transportation, ground transportation or any combination thereof in providing our services. We reserve the right to divert any shipment (including use of other carriers) in order to facilitate its delivery. If a shipper wants to reroute a shipment, the shipper must call (216) 581-0707 or (800) 823-2444 toll free and provide us with the Clockwork tracking number. We will attempt to honor the new delivery request, but our verification and handling procedures may result in delayed delivery.

## 6. ACCOUNT NUMBERS

Account numbers are issued by Clockwork and are nontransferable without the express written consent of the President of Clockwork. All requests for account numbers are subject to credit investigation and verification. We do not offer consumer credit privileges. For "Bill Sender" and "Bill Third Party" transactions, packages will not be accepted unless you provide a valid Clockwork account number. For "Bill Recipient" transactions, packages can be tendered without payment, but in order for the package to be delivered, the recipient must give a valid Clockwork account number or pay with cash, check, money order or credit card at time of delivery. **If the recipient refuses to pay or provides an insufficient funds check, the sender will be responsible for all charges.** For customers utilizing our website ordering system, a valid Clockwork account number is required for "Bill Sender," "Bill Recipient" or "Bill Third Party" transactions. The person or entity to whom a Clockwork account number is issued is liable for all charges to the account. The account holder bears the risk of all unauthorized use of the account holder's Clockwork account number. We may apply payments made on your account to any unpaid invoices issued to your account. Failure to keep your Clockwork account current (all invoices paid within 15 days from invoice date) may result in your account being suspended. You must use your Clockwork account to obtain any applicable discount, if any. Your use of the account number constitutes your agreement that all packages shipped on your account shall be subject to the terms and conditions set forth in this Service Guide, as modified, amended or supplemented. To set up a new account with Clockwork, commercial accounts must have a current business listing with telephone directory assistance. Clockwork may provide trade credit information on Clockwork account holders to credit bureaus.

## 7. INCORRECT ADDRESSES

If a recipient's address is incomplete or incorrect, we may attempt to find the correct address and try to complete the delivery, but we assume no responsibility for our inability to complete delivery under such circumstances. Use of P.O. box numbers, P.O. Box ZIP

Codes or incorrect ZIP Codes, omission of suite numbers, apartment numbers, or the use of old street addresses for recipients who have relocated are examples of addresses requiring corrections. We will not be liable for failing to meet our delivery commitment for any shipment with an incomplete or incorrect address. (See Undeliverable Packages.) An additional fee will be assessed for shipments that are Re-Delivered. (See Re-Delivered Packages.)

## 8. BILLING

A. "Bill Sender" means charges will be billed to the sender. The sender's Clockwork account must be current. B. "Bill Recipient" means charges will be billed to the recipient. In order to choose this billing option, the recipient's Clockwork account must be current, or the recipient must pay for the package at time of delivery. The sender is liable for, and will be billed for, all charges and fees, plus all special handling fees in the event recipient or any third party does not pay. C. "Bill Third Party" means charges will be billed to someone other than the sender or recipient. Charges for shipments within the U.S. may only be billed to a third-party in the U.S. In order to choose this billing option, the Clockwork account number of the third party account must be current. If the third party fails or refuses to pay for the shipment, the charges shall be rebilled to the sender's account. If the party which is rebilled fails or refuses to pay, the sender is liable for and will be billed for all charges and fees, plus all special handling fees. If charges exceed the third-party account credit limits, the sender will automatically be billed for all charges. D. For "Bill Recipient" or "Bill Third Party" transactions, if the recipient or third party fails or refuses to pay the charges, refuses delivery or cannot be contacted, the sender is responsible for and will be billed for any and all charges. We may verify the method of payment for any shipment marked "Bill Recipient" or "Bill Third Party." We reserve the right to refuse any such shipment for which the method of payment cannot be verified. E. Your shipment may be delayed if we determine that it is billed to a Clockwork account number that is not in good credit standing. F. C.O.D. shipments may not be shipped "Bill Recipient" or "Bill Third Party." Shipping charges for C.O.D. shipments must be billed to sender's Clockwork account number. G. NOTWITHSTANDING ANY PAYMENT INSTRUCTIONS THAT ARE GIVEN TO CLOCKWORK, THE SENDER IS ULTIMATELY LIABLE FOR ALL CHARGES AND FEES. H. A \$20 special handling fee will be applied for any check or electronic funds transfer that is dishonored due to insufficient funds on deposit or incorrect or insufficient signature of the drawer. I. Billing special handling fees. If we are unable to obtain payment on any transaction billed to a credit card, a \$10 special handling fee will be charged. J. Remittance should be sent to:

Clockwork Logistics, Inc.  
4765 East 131<sup>st</sup> Street  
Garfield Heights, Ohio 44105  
(Via U.S. Postal Service:)

1. We reserve the right to audit shipments made via an automated shipping device to verify service selection and package or shipment weight. If the service selected or weight entered is incorrect, we may make appropriate adjustments to the invoice at any time. 2.

Default billing: Senders are responsible for accurately entering shipment information in written or the on-line order form. Because the number of packages and weight per package are critical to our ability to correctly invoice, if you fail to provide or incorrectly enter this information you will be billed based on our best estimate of the number of packages transported and either the standard dimensional factor at the time of billing or a standard "default" weight-per-package estimate, determined at our sole discretion. If no service is marked, we will send your shipment via the Clockwork service selected by us at our sole discretion.<sup>3</sup> A request for invoice adjustment or refund must be in writing. The request may be noted on either the Invoice Summary, Invoice Remittance or by attached letter. However, the request must state the reason you believe an adjustment or refund is warranted and must provide the Clockwork account number, if any, the package tracking number, the date of shipment, and the recipient's name, address, ZIP Code and any applicable non-payment codes. A credit under our Guarantee Policy will only be applied against charges for the shipment giving rise to the credit. A partial payment against an invoice is not considered a request for invoice adjustment or notice of a refund request.<sup>4</sup> "Overcharge" means a charge based on an incorrect rate; an incorrect special handling fee; billing for the wrong type of service; or billing based on incorrect package or shipment weight, waiting time; or account numbers. 5. Requests for invoice adjustment or refunds must be received within 90 days after the date of shipment if the overcharge was caused by us. Requests for invoice adjustments and refunds must be received within 60 days after the original invoice date when you have caused the error. For adjustments due to a service failure or failure to provide timely package status, see Guarantee Policy. If you choose to send your invoice adjustment request separately from your remittance statement, please send to: Clockwork Logistics, Inc., Accounts Receivable Dept., 4765 East 131<sup>st</sup> Street, Garfield Heights, Ohio 44105. For additional information or assistance regarding billing issues, contact the Accounts Receivable Dept at (216) 581-0707 or (800) 823-2444 toll free, 9 a.m.-5 p.m. (ET), Monday-Friday. 6. The shipper is responsible for all reasonable costs incurred by Clockwork in attempting to obtain payment on any transaction. Such costs include, but are not limited to, attorneys' fees, collection agency fees, interest and court costs.

## 9. BUSINESS DAYS AND HOLIDAYS

A. "Business day" means Monday through Friday except for the following holidays for Clockwork: New Year's Day, Memorial Day, Easter Sunday, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. B. Business days for Clockwork are 24 hours a day, 365 days a year. While packages are accepted for transportation 365 days a year, observance of national or local holidays may cause delivery delays. Additional charges will apply to weekend and holiday pickups and deliveries.

## 10. COLLECT ON DELIVERY SERVICE

We offer Collect On Delivery service consisting of carriage of goods to the recipient, collection of the payment instrument issued by or on behalf of the recipient and made payable to the shipper and delivery of the payment instrument to the shipper of the goods. The amount collected for the C.O.D. shipment must be sent to the shipper's location. We

do not offer a cash-on-delivery service. The shipper of the goods via C.O.D. service is responsible for specifying the amount to be collected (the C.O.D. Amount). If the shipper specifies SECURED PAYMENT, payment by either cashier's check, official check or money order will be accepted. If the supplier specifies UNSECURED PAYMENT, a personal check, certified check, cashier's check, official check, money order or company check will be collected. CASH, TRAVELER'S CHECKS, CREDIT CARDS AND COUNTER CHECKS WILL NOT BE ACCEPTED IN PAYMENT OF ANY C.O.D. AMOUNT.

## 11. CONSUMABLES & FOOD

Consumables and Food will be accepted. Consumables and foodstuffs must be prominently and legibly marked and declared when the service order is placed. The sender is responsible for complying with all applicable federal (including, but not limited to, the U.S. Department of Agriculture) and state regulations and laws governing the shipments. We do not offer refrigeration service. If the shipment contains dry ice, consult the Dangerous Goods section for dry ice requirements.

## 12. CREDIT TERMS

The invoice date begins the credit term cycle, and payment is upon receipt. Failure to keep your account current will result in your account being placed on a "credit card only" status. This status may impair your ability to use our service, your shipments may be delayed, and it may have an effect on your discount program, if any. All charges not paid within thirty days of the date due shall be subject to a late fee equal to five percent (5%) of the charge and interest at the rate of one percent (1%) per month or part thereof thereafter. If the account number to be billed is not in good credit standing, the delivery may be held or stopped in transit until you make alternate payment arrangements. the guarantee will not apply in such circumstances. 1. Credit privileges will not be restored until you have paid all past-due balances in full and all costs, fees and expenses incurred by Clockwork in collecting or attempting to collect such balances. Clockwork may require establishment of electronic funds transfer as a prerequisite to credit restoration. 2. Customers requesting removal from credit card only status must contact the Accounts Receivable Department at (216) 581-0707 or (800) 823-2444 toll free. 3. Clockwork may decline to restore credit privileges even if all costs, fees, and expenses are paid. In the event prompt payment is not made and your account is placed on "credit card only" status, you agree to be liable for all reasonable costs which include, but are not limited to, attorneys' fees, collection agency fees, interest and court costs. We do not provide consumer credit privileges. To obtain credit privileges, customers may be required to agree to bank draft arrangements for payment on past due accounts.

## 13. DANGEROUS GOODS & MATERIALS

We do not provide Dangerous Goods Service. We will however accept Dry Ice and Bio-Medical materials. Dry ice shipments prepared in accordance with IATA regulations do not require a Shipper's Declaration, and there is no special handling fee for transporting

dry ice at this time. However, dry ice must be entered under the special instructions section in the on-line order or specified when placing an order via telephone. All dry ice shipments require package marking and labeling. Clockwork is not required to add dry ice to packages in its system. Blood, urine, fluids and other liquid diagnostic specimens containing infectious substances will not be transported without the prior written consent of the President of Clockwork. Non-infectious blood, urine and diagnostic specimens must be packaged to meet specific applicable local, state and federal laws. Shippers must also comply with all applicable local, state and federal laws governing packing, marking and labeling of shipments of blood and blood products regardless of whether they are infectious. Hazardous Materials will not be accepted for carriage without the prior written consent of the President of Clockwork. Any package/shipment with an odor or any package that is wet or leaking will not be accepted for carriage. If a shipment damages or contaminates any property, the shipper is responsible for and will reimburse Clockwork for any and all costs, fees and expenses incurred in connection with such damage or contamination. Clockwork reserves the right to refuse Dangerous Goods or any questionable materials at any location where they cannot be accepted in accordance with applicable law. The United States Department of Transportation (DOT) regulates the movement of Dangerous Goods by all modes of transportation. The Federal Aviation Administration (FAA) is a branch of the DOT that oversees Dangerous Goods shipments by air. When Clockwork carriers encounter improperly declared or undeclared shipment of Dangerous Goods, we are required by law to report improperly declared or undeclared shipments of Dangerous Goods to the U.S. Department of Transportation. Penalties for such shipments can range up to \$500,000 and five years in jail. The DOT/FAA also requires every shipper to have job-specific Dangerous Goods training prior to offering a Dangerous Goods shipment to Clockwork or another air carrier. U.S. domestic shippers who omit the technical name under the provisions of USG-14 must indicate on the Shipper's Declaration that their material falls under the provisions of USG-14 for "n.o.s." or generic proper shipping names.

#### 14. EXTRA-LARGE PACKAGES

Extra-large packages are pieces weighing less than 100 lbs. that exceed 84" in length and girth combined with a maximum length of 48". These pieces may be refused or accepted at our sole discretion. The length and girth of a package is length plus twice the height plus twice the width. If the dimension includes a fraction, a fraction 1/2 or greater will be rounded up to the next whole number; less than 1/2 will be rounded down to the next whole number. Maximum package size and weight is limited to the capacity of the vehicle and the service type requested.

#### 15. FUEL SURCHARGE

We reserve the right to assess fuel and other surcharges on shipments without notice. The duration of any such surcharge will be determined at our sole discretion.

#### 16. GUARANTEE POLICY

We Guarantee all of our delivery services. However, these Guarantees can be suspended or revoked without notice. Service Failure - At our option, we will either refund or credit your transportation charges upon request if we deliver your shipment 30 minutes or more after our delivery commitment time. In order to qualify for a refund or credit due to service failure, the following limitations apply: 1. For invoiced shipments and for shipments by shippers using on-line ordering, we must receive your notification of a service failure in writing within 10 calendar days from the original invoice date. You must furnish with your payment the invoice numbers to which your payment applies. If an invoice is not paid in full, the reason for each unpaid charge must be noted along with its tracking number. 2. For shipments that we don't invoice because paid by check, money order, or credit card, you must notify us, in writing of a service failure within 10 calendar days from the date of shipment. We will send your refund to the billing address on your account. 3. Notification must include the account number, if any, the package tracking number, the shipment weight and the date of shipment. Complete recipient information must be provided. 4. A service failure will not be deemed to have occurred if within 30 calendar days after you notify us, we provide you with: a. Proof of timely delivery, consisting of the date and time of delivery and name of the person who signed for the shipment or signature release information; or b. Service exception information reflecting that the failure to timely deliver resulted from circumstances described under "Liabilities Not Assumed." 5. A service failure will not be deemed to have occurred if a "bill to" account number was provided at the time of shipment that was not in good credit standing and the package was not delivered until alternate payment arrangements were secured. 6. We are not obligated to respond when your request is not received within the time limits stated above. 7. The freight shipment was not booked as required. Only one refund or credit is permitted per package. In the case of multiple-package shipments, this Guarantee will only apply to one package in the shipment. If a service failure occurs for any package within the shipment, a refund or credit will be given only for the portion of the transportation charges applicable to that package. There are no delivery commitments for shipments on which the Guarantee is suspended. A refund or credit will not be given for shipments delayed due to incorrect addresses or ZIP codes or the unavailability or refusal of a person to accept delivery or sign for the package or any of the causes described under "Liabilities Not Assumed." Clockwork will not be liable under the Service Failure Guarantee if we do not release a package without obtaining a signature and no one is available to sign for the package where delivery without obtaining a signature has been authorized. This Money-Back Guarantee does not apply to requests for invoice adjustments based on overcharges. (See "Billing" section.) A refund or credit will not be given to shippers using on-line ordering when incorrect package tracking numbers are applied to the subject package or shipment. Credits for transportation charges will be applied to the payor's account only, and refunds will be made payable to the payor only. This Guarantee does not apply to returned or undeliverable shipments. This Guarantee does not apply to undeliverable or returned shipments. For C.O.D. shipments, this Guarantee applies to transportation charges and to the additional charge for C.O.D. service. This Guarantee also applies to the return of the C.O.D. payment to the sender. Note: the quoted delivery commitment time may change for many reasons, including, but not limited to the following: flight delays or cancellations due to air traffic control, weather, or mechanical problems. If the delivery commitment is changed, the

Guarantee will only be applicable to the latest delivery commitment. You agree that our records regarding quoted delivery times will constitute conclusive proof of any such quotes. We encourage you to submit invoice adjustment requests with your payment. However, you may send these requests separately to:

Clockwork Accounts Receivable Dept.  
4765 East 131<sup>st</sup> Street  
Garfield Heights, Ohio 44105.

#### 17. HOLD FOR PICK UP

Hold for Pick Up Service is available upon request. When a recipient wishes to pick up a package, rather than have it delivered, the sender must specify "Hold For Pick Up" in the special instructions on the on-line order form or when placing order via telephone and specify, in the section provided, Clockwork and Clockwork address as the destination. If you listed the telephone number of the recipient, reasonable efforts will be made to contact the recipient by telephone after the package arrives at our facility. Packages will be available for pickup from 9:00 a.m. to 5:00 p.m. EST. (Monday-Friday). Packages designated Hold For Pick Up Service are not available for pick up on Saturday, Sunday or Holidays. Freight shipments may be held at Clockwork and picked up by the recipient "Hold For Pick Up" shipments not picked up within five (5) business days from the date of arrival will be returned to the shipper at the shipper's expense.

#### 18. HOLIDAY DELIVERY

Clockwork provides service on holidays. A surcharge of 100% and a \$50.00 minimum charge applies for holiday delivery.

#### 19. INSPECTION OF SHIPMENTS

We may, but are not obligated to, open and inspect any shipment at our sole discretion and with or without notice.

#### 20. LIABILITIES NOT ASSUMED

We will not be liable for any damages, whether direct, incidental, special or consequential, in excess of the declared value of a shipment, whether or not we knew or should have known that such damages might be incurred, including, but not limited to, loss of income or profits. We will not be liable for, nor shall any adjustment, refund or credit of any kind be made as a result of any loss, damage, delay, misdelivery, nondelivery, misinformation or any failure to provide information, except such as may result from our sole negligence. We will not be liable for, nor shall any adjustment, refund or credit of any kind be given as a result of, any loss, damage, delay, misdelivery, nondelivery, misinformation or failure to provide information caused by or resulting in whole or in part from: the act, default or omission of any person or entity other than Clockwork; the nature of the shipment, including any defect, characteristic or inherent

vice of the shipment; your violation of any of the terms and conditions contained in this Service Guide, as amended from time to time, or but not limited to, the improper and insufficient packing, securing, marking or addressing of shipments, or use of an account number not in good credit standing; perils of the air, public enemies, criminal acts of any person(s) or entities, public authorities acting with actual or apparent authority, authority of law, local disputes, civil commotions, hazards incident to a state of war, local or national weather conditions (as determined solely by us), national or local disruptions in air or ground transportation networks, strikes and/or anticipated strikes (of any entity, including, but not limited to, other carriers), natural disasters (earthquakes, floods, hurricanes are examples of natural disasters), conditions that present a danger to our personnel, and disruption or failure of communication and information systems; acts or omissions of any person or entity other than Clockwork, including our compliance with verbal or written delivery instructions from the sender, recipient or persons claiming to represent the shipper or recipient; loss of or damage to articles packed and sealed in packages by the sender, or by person(s) acting at sender's direction, provided the seal is unbroken at the time of delivery, the package retains its basic integrity, and receipt of shipment by the recipient without written notice of damage on the delivery record; erasure of data from or the loss or irretrievability of data stored on magnetic tapes, files or other storage media or erasure or damage of photographic images or sound tracks from exposed film; our inability to provide a copy of the delivery record or a copy of the signature obtained at delivery; our failure to honor "package orientation" graphics (e.g., "UP" arrows, "THIS END UP" markings), "fragile" labels or other special instructions not explicitly provided for in the Service Guide on packaging, or damage to shipments not in packaging approved by us prior to shipment where such prior approval is recommended or required herein; damage to fluorescent tubes, neon lighting, neon signs, X-ray tubes, laser tubes, light bulbs and flat panel display screens (all types), scale models (including, but not limited to, architectural models, doll houses, etc.); failure to provide a valid Clockwork account number in good credit standing; our failure to notify you of any delay, loss or damage in connection with your shipment or any inaccuracy in such notice. Clockwork will not be liable for shipments released without obtaining a signature if permission by sender has been granted to leave package without a signature. Clockwork will not leave shipments without being instructed to do so. Performance of any services will not constitute us as shipper's or anyone's agent for any purpose. Damage to briefcases, luggage, garment bags, aluminum cases, plastic cases, or other items whose outer finish might be damaged by adhesive labels, soiling or marking unless placed in a protective container for shipment. Perishables, unless shipped in accordance with the Perishables section under the "Restrictions" section of this Guide. If a shipment is refused by the recipient, leaks, or is damaged, the shipment will be returned to the sender if possible. If the sender refuses to accept the returned shipment or it cannot be returned because of leakage, or damage due to faulty packaging, the shipper is responsible for and will reimburse Clockwork for all costs and fees of any type connected with the legal disposal of the shipment, and all costs and fees of any type connected with cleanup of any spill or leakage. Our provision of advice, assistance or guidance on the appropriate packaging of shipments does not constitute acceptance of liability, unless such advice, assistance or guidance has been approved in writing by an officer of Clockwork and Clockwork in writing expressly accepts liability in the event of a damaged shipment.

Clockwork will not be liable for any package where our records do not reflect that the package was tendered to us by the customer. Clockwork will not be liable for any damage to any shipments of any alcoholic beverage, tobacco products, plants and plant materials.

## 21. METHODS OF PAYMENT

The following are acceptable methods of payment: cash, (including cashier's check), money order, credit cards (MasterCard, VISA, American Express, Diners Club, Discover Card, Optima), charged to a valid Clockwork account number in good credit standing, and Checks (excluding cashier's check) will not be an acceptable method of payment for shippers or recipients who do not have a valid Clockwork account number in good credit standing. The foregoing constitutes the only acceptable methods of payment and all other methods are unacceptable.

## 22. MULTIPLE-PACKAGE SHIPMENTS

A. Multiple-package shipments are acceptable to all points that we serve. The number of pieces of a multiple-package shipment must be declared when the order is placed and will be subject to the applicable per piece charge for the service selected. B. You may ship up to 999 packages on one Clockwork job number, provided the service type size and weight restrictions are met. You may ship multiple packages of the same service type going to a single recipient from the same point of origin and moving on one job number. C. All packages in a multiple-package shipment must move from one sender to one recipient, on the same day, use the same service, have the same delivery and special handling instructions, and must be billed to the same party. D. Individual packages in a multiple-piece shipment may have different weights, dimensions and declared value.

## 23. PACKAGING AND MARKING

All packages must be prepared and packed by the sender for safe transportation with ordinary care in handling. Correct recipient address labels should be placed on each package. Any articles susceptible to damage as a result of conditions which may be encountered in transportation, such as changes in temperature or atmospheric pressure, must be adequately protected by proper packaging. (See Restrictions for additional packaging instructions on particular commodities.) Each shipment must be legibly and durably marked with the name, address and ZIP Code of the recipient. The ZIP Code is crucial to the efficient movement of the package through our system. Corrugated boxes in good, rigid condition large enough to allow cushioning of contents on the top, bottom and sides should be used. Items that cannot be packed into cartons (auto tail pipes, mufflers, tires, rims, etc.) should have all sharp edges and protrusions wrapped and the address label secured by pressure-sensitive tape wrapped completely around the object, or a tie-on tag must be used. Briefcases, luggage, garment bags, aluminum cases, plastic cases, computer cartons or similar types of items whose outer finish might be damaged by adhesive labels, soiling, marking or other types of surface damage that is normal with ordinary care in handling should be placed in a protective container for shipment. Items

with casters, wheels or rollers must have them removed or packaged to prevent damage. Blood, urine and other non-infectious liquid diagnostic specimens will be accepted only when shipped in a sturdy outer container\* containing a sealed watertight primary receptacle placed inside of a sealed watertight secondary receptacle. Absorbent material must also be placed inside of the secondary watertight receptacle. If multiple primary receptacles are placed into a single secondary packaging, it should be wrapped individually to ensure that contact is prevented. The absorbent material, such as gauze or cotton wadding, must be sufficient to absorb the entire contents of all primary receptacles. It is the responsibility of the shipper to ensure that proper packaging is used. Sturdy outer packaging constructed of cardboard/corrugated fiberboard, wood, metal or rigid plastic is required. The sturdy outer packaging must be larger than 7" in length, 4" in width, and 2" in depth. Unacceptable packaging includes, but is not limited to, foam, plastic bags, paper envelopes and cardboard boxes. We will refuse to accept packages not meeting these or any federal requirements. These shipments will not be accepted for pick up. Expanded polystyrene foam coolers must be shipped inside of a sturdy outer container. Expanded polystyrene foam coolers containing blood, urine and other non-infectious liquid diagnostic specimens must be shipped inside of a sturdy outer packaging. No exceptions are permitted. If a shipment is refused by the recipient, leaks, or is damaged, the shipment will be returned to the sender if possible. If the sender refuses to accept the returned shipment or it cannot be returned because of leakage, or damage due to faulty packaging, the shipper is responsible for and will reimburse Clockwork for all costs and fees of any type connected with the legal disposal of the shipment, and all costs and fees of any type connected with cleanup of any spill or leakage.

#### 24. PROOF OF DELIVERY

We will, where available, provide a copy of electronic delivery information for packages delivered within our primary service areas when requested by the sender, recipient or third-party within 12 months of the shipping date. The information will be sent via e-mail, fax or U.S. Postal Service. We assume no liability for our inability to provide a copy of the Proof of Delivery. We assume no liability for our inability to provide documentation of the proof-of-delivery phone call. We may also provide Proof of Delivery online. We will, when requested by the sender, recipient or third-party, provide the recipient's name along with other delivery information for packages. The signature proof of delivery is available via the Clockwork web-site. A proof of delivery phone call to the shipper stating the time and name of the person who received the delivery is also available upon request and will constitute proof of performance. Two attempts will be made to reach the shipper by telephone within two hours of delivery. If the shipper cannot be reached by telephone with either attempt, Clockwork will have no further obligation to the customer with respect to proof of performance.

#### 25. RATE QUOTATIONS

Rates and service quotations by our employees, agents and on-line will be based upon information provided by you, but final rates and service may vary based upon the

shipment actually tendered and the application of these Terms and Conditions. We will not be liable for, nor will any adjustment, refund or credit of any kind be made, as a result of any discrepancy in the rate or service quotation made prior to the actual tender of the shipment and what appears on the actual invoice, unless the rate or service applied at the time of original invoicing is inconsistent with the shipment actually tendered.

## 26. RE-DELIVERY SERVICE

This service will be provided upon request. If our first delivery attempt is unsuccessful, either to a commercial or residential address, Clockwork will make an additional attempt to deliver as instructed by the shipper for an additional charge at a rate equal to 100% of the original charge for each additional attempt. If a package still cannot be delivered, we will hold it at Clockwork two (2) additional business days while we research its status with the sender and/or the recipient and receive further instruction. At the end of that time, we will return it to the sender, and it will be considered undeliverable. (See Undeliverable Packages.) Any shipment that cannot be delivered after two (2) delivery attempts or five (5) business days from date of shipment will be considered undeliverable. (See Undeliverable Packages.)

## 27. REFUSAL OR REJECTION OF SHIPMENTS

We reserve the right to refuse, hold or return a shipment when in our opinion: A. the shipment would be likely to cause damage or delay to other shipments, equipment or personnel, or is likely to sustain damage or loss of content during transit as determined solely by us, B. when the carriage of the shipment may be prohibited by law or may violate any of the Terms and Conditions in this Service Guide as amended from time to time, C. the bill-to account number is not valid and in good credit standing with Clockwork, or D. where acceptance of the shipment or shipments may jeopardize the provision of service to other customers, as solely determined by Clockwork.

## 28. REGULAR STOP PICKUP

If you consistently have regular Clockwork packages to be picked up at your location, and such shipping volume and regularity is verified by Clockwork, you may qualify to be a regular stop customer. To be eligible to be a regular stop customer, you must: Have a valid Clockwork account number in good credit standing, Have sufficient consistent package volume. Have a prearranged agreement with Clockwork for the pickup stop on a specific schedule of days and time, Be pre-approved by Clockwork, and Have your shipping activity monitored to ensure your continued eligibility. Regular stop customers also may be required to process their shipments using on-line ordering. If shipping frequency is not maintained, Clockwork may remove your regular stop status. Clockwork reserves the right to make changes to a customer's regular stop status at any time.

## 29. SHIPMENT RESTRICTIONS.

Blood, urine and other non-infectious liquid diagnostic specimens will be accepted only when shipped in a sturdy outer container\* containing a sealed watertight primary receptacle placed inside of a sealed watertight secondary receptacle. Absorbent material also must be placed inside of the secondary watertight receptacle. NOTE: Regulated Infectious Substances must be shipped in the appropriate legal packaging (See Blood, Urine, Fluids and Other Liquid Diagnostic Specimens.) If multiple primary receptacles are placed into a single secondary packaging, it should be wrapped individually to ensure that contact is prevented. The absorbent material, such as gauze or cotton wadding, must be sufficient to absorb the entire contents of all primary receptacles. It is the responsibility of the shipper to ensure that proper packaging is used. Sturdy outer packaging constructed of cardboard/corrugated fiberboard, wood, metal or rigid plastic is required. The sturdy outer packaging must be larger than 7" in length, 4" in width, and 2" in depth. Unacceptable packaging includes, but is not limited to, foam, plastic bags, paper envelopes and paper tubes. We will refuse to accept packages not meeting these or any federal requirements. Dangerous Goods and dry ice except as permitted under the "Dangerous Goods" section of these Terms and Conditions. Multiple-package shipments will be accepted as one piece only when the shipment is stretch or shrinkwrapped or banded together to form a single handling unit. For purposes of our limit of liability, a single-piece, stretch/shrinkwrapped and banded pallet constitutes a single handling unit. Accessible Dangerous Goods cannot be shipped. General restrictions for all Clockwork services as listed elsewhere in this Service Guide also apply. The following items are prohibited and will not be acceptable for shipment by Clockwork: Firearms; Fireworks; Alcoholic Beverages; Tobacco Products; Dangerous goods or hazardous materials (except dry ice\*); Money (coins [except collectible], cash, currency, paper money and negotiable instruments equivalent to cash, such as endorsed stocks, bonds and cash letters); Live animals, including birds, reptiles and fish. But, edible seafood such as live lobsters, crabs, or other types of live fish/shellfish for human consumption are not prohibited; Human corpses, cremated or disinterred human remains; Shipments that require us to obtain a federal, state or local license for their transportation Shipments that may cause damage or delay to equipment, personnel or other shipments; Gaming devices such as lottery tickets where prohibited by federal, state or local law; Shipments whose carriage is prohibited by law, statute or regulation of the state in which the shipment may travel; Used hypodermic needles and syringes, or medical waste \* Dry ice shipments prepared in accordance with IATA regulations do not require a Shipper's Declaration, and there is no special handling fee for transporting dry ice at this time. However, dry ice must be entered under the special instructions section in the on-line order form or specified when placing an order via telephone. All dry ice shipments require package marking and labeling. Clockwork is not required to add dry ice to packages in its system. Restrictions applicable to all shipments: (Also see Dangerous Goods.) No more than one type of service may be indicated per shipment. If no service is indicated, we will assume that your shipment requires the most expedient service available at the time. Firearms. Clockwork will only accept shipments of firearms when either the shipper or recipient is a licensed manufacturer, licensed importer, licensed dealer or licensed collector and is not prohibited from making such shipments by federal, state or local regulations when these conditions are met. Clockwork will accept and deliver firearms between all areas served in the U.S. Firearms may not be sent C.O.D. Upon presenting the package for shipment,

the shipper is required to inform Clockwork that the package contains a firearm. Firearms may not be shipped in one complete piece. When tendered for shipment, the firearm must be rendered inoperable, either by removing the firing pin in the gun and disconnecting the barrel, or by some other means so the package does not contain a completely assembled, usable weapon. The outside of the package should bear no label, marking, or other written notice that a firearm is contained within. This includes the abbreviation of the name of the shipper or recipient if the name would clearly indicate that the package could contain a firearm. Firearms and ammunition may not be shipped in the same package. Ammunition is always an explosive and must be shipped as Dangerous Goods. Signature release is not available for shipments containing firearms. The shipper and recipient are required to comply with all applicable government regulations and laws including those pertaining to labeling. The local division office of the Bureau of Alcohol, Tobacco and Firearms (ATF) can provide assistance with the packaging and shipment of firearms.

Fireworks. Clockwork will not accept fireworks shipments. Alcoholic Beverages. Clockwork will not accept alcohol shipments (wine, beer and hard liquor) when both the shipper and recipient are either a licensed wholesaler, licensed dealer, licensed distributor, licensed manufacturer, or licensed importer subject to all applicable individual state laws. Signature release is not available for shipments containing Alcohol. Tobacco Products. Tobacco products will be accepted only when shipped from a licensed dealer or distributor to another licensed dealer or distributor. Packaging should be pre-approved by Clockwork prior to shipping. Your failure to use preapproved packaging releases us from any liability that we would otherwise assume. (See Liabilities Not Assumed.)

Plants and Plant Materials. Plants and plant materials, including seedlings, plant plugs and cut flowers, must be shipped in accordance with applicable state and federal laws. Packages containing these items may be inspected by government agencies, which may result in a delay in delivery. We are not liable or responsible for damage, refunds or credits resulting from delay of these shipments by federal, state or local government agencies. Packaging should be pre-approved by Clockwork prior to shipping. Your failure to use pre-approved packaging releases us from any liability that we would otherwise assume. (See Liabilities Not Assumed.)

Fragile Articles/Orientation: Packaging for all fragile articles (including, but not limited to, electronic and electrical devices, scientific testing equipment, fragile glass, crystal, porcelain or china) should be approved by Clockwork prior to shipping or we assume no liability for such shipments. We do not provide special handling for packages bearing "Fragile," "Refrigeration required," or orientation markings (e.g., "UP" arrows or "THIS END UP" markings). Fluorescent tubes, neon lighting, neon signs, X-ray tubes, laser tubes and light bulbs and flat panel display screens (all types). Due to the extremely fragile nature of these items, shipping is discouraged using Clockwork. Clockwork assumes no liability for these items if damaged in transit. Scale models (including, but not limited to, architectural models, doll houses, etc.) are classified as inherently fragile items, and shipment is discouraged. Clockwork assumes no liability for these items if damaged in transit.

Perishables. Meat, Fish and Poultry. Meat, fish and poultry shipments can be shipped only in accordance with applicable state and federal laws. The shipper is responsible for ensuring compliance with state and federal law. Failure to use pre-approved packaging releases us from any liability for spoiled perishables that we would otherwise assume. (See Liabilities Not Assumed.)

Dangerous Goods. (See Dangerous

Goods.) Pharmaceuticals. Shipments of over-the counter and prescription pharmaceuticals will only be accepted when tendered in accordance with applicable federal, state or local laws. The shipper is responsible for compliance with all applicable laws. Pharmaceutical packages should bear no label, markings, or other written notice that a pharmaceutical is contained within. Proper packaging such as cotton or other appropriate packing material should be used in order to protect the contents of the shipment. Signature release is not available for pharmaceuticals shipments. The following items are prohibited and will not be accepted: Cash, currency, collectible stamps and coins. Live animals, including birds, reptiles and marine life (Edible seafood such as live lobsters, crabs or other types of fish/shellfish for human consumption are acceptable, provided the shipper is in compliance with state and federal laws.) Animal carcasses will not be accepted. Animal heads and other parts for taxidermy may be accepted but must be properly packaged. Restrictions do not apply to materials intended for consumption. Human corpses or body parts; cremated or disinterred human remains Shipments which require us to obtain a federal, state or local license for their transportation Shipments which may cause damage or delay to equipment, personnel or other shipments Lottery tickets and gambling devices where prohibited by federal, state or local law Hazardous waste, used hypodermic needles and/or syringes or medical waste Packages/shipments that are wet, leaking or emit an odor of any kind Packages that are wrapped in paper. Live insects Shipments whose carriage is prohibited by law, statute or regulation of any state in which the shipment may travel Shipments whose carriage is prohibited by applicable federal, state or local law.

### 30. SATURDAY DELIVERY

Clockwork provides service on Saturdays. A surcharge of 50% and a \$25.00 minimum charge applies for Saturday delivery.

### 31. SERVICE AREAS

Clockwork services all of the continental U.S. and Canada subject to applicable service type restrictions. For current service type information, please call (216) 581-0707 or outside of the local calling area (800) 823-2444 toll free for information.

### 32. SUNDAY DELIVERY

Clockwork provides service on Sundays. A surcharge of 50% and a \$25.00 minimum charge applies for Sunday delivery.

### 33. UNDELIVERABLE PACKAGES

If a shipment is undeliverable for any reason, we will attempt to notify the shipper to arrange for the shipment's return. The charges associated with the original shipment remain due and payable within 15 days from the invoice date. If a package is marked "Bill Recipient" and is refused or returned to sender, the billing is automatically changed to "Bill Sender."