



CONTRACT WITH TERMS AND CONDITIONS

This document contains the terms and conditions for the services provided both now and in the future by Jamco Group and you, the Customer. This agreement consists of three major parts: (1) the Contract with Terms and Conditions, (2) the Customs Power of Attorney and Acknowledgment of Terms and Conditions of Service and (3) the Schedule of Fees (the "Agreement"). The Agreement constitute a legally binding contract between the Company and the Customer. In the event the Company renders services and issues a document containing additional Terms and Conditions governing such services, the Terms and Conditions set forth in such other document(s) shall govern those services.

1. Definitions

(a) "Company" or "Jamco Group" shall mean Jamco International, Inc., Juan A Menchaca Logistica Aduanera Internacional, S.C., JAMCO International, Inc., JAMCO International of California, Inc., JM Transport, JM Logistics, LLC, their subsidiaries, related companies, agents and/or representatives.

(b) "Customer" shall mean [_____] for which Jamco International Inc, is rendering service, as well as its agents and/or representatives including, but not limited to, shippers, importers, exporters, carriers, secured parties, warehousemen, buyers and/or sellers, shipper's agents, insurers and underwriters, break-bulk agents, consignees, etc. It is the responsibility of the Customer to provide notice and copy(s) of these terms and conditions of service to all such agents or representatives.

(c) "Documentation" shall mean all information received directly or indirectly from Customer, whether in paper or electronic form;

(d) "Supply Chain Trade Services" shall mean performing of U.S. Customs brokerage services, Mexican customs clearance, revision and freight forwarding, distribution, materials handling, cross docking, international transportation and logistics and all other services in connection with the entry and release of Goods, post entry services, the securing of export or import licenses, the filing of export documentation on behalf of the Customer and other dealings with Government Agencies,

(e) Ocean Transportation Intermediaries ("OTI") shall include an "ocean freight forwarder" and a "non-vessel operating common carrier,"

(f) "Third parties" shall include, but not be limited to, the following: "carriers, truckmen, cartmen, lightermen, forwarders, OTI's, customs brokers, agents, warehousemen and others to which the Goods are entrusted for transportation, cartage, handling and/or delivery and/or storage or otherwise."

(g) "Goods" shall mean any and all Goods, items or things which come into the possession, custody or control of Company, its agents or Third Parties at the request of Customer or for the benefit of Customer.

2. Company As Agent.

During the term of this Agreement, the Company shall act as the exclusive agent of the Customer for the port of [all Mexico-U.S. southern border ports and all major Ocean-Air ports for the country of Mexico] for the purpose of performing Supply Chain Trade Services. As to all other services, Company acts as an independent contractor. During the term of this Agreement, the Company shall further act as the exclusive U.S. Customs Broker, Mexican Customs Broker and agent for all warehousing and materials handling services for the port of [all Mexico-U.S. southern border ports and all major Ocean-Air ports for the country of Mexico] Customer's use of another U.S. Customs Broker, Mexican Customs Broker or agent for all warehousing, materials handling services and Supply Chain Trade Services for the port of [all Mexico-U.S. southern border ports and the major ocean-air ports in the country of Mexico] during the term of this Agreement shall constitute a breach of this Agreement.

3. Other Duties of Customer and Remedies of Company

Customer agrees to pay all invoices sent by Company in accordance with the attached Schedule of Fees, which are hereby incorporated by reference as if set forth fully herein, within 30 days of receipt. In the event Customer fails to timely pay any outstanding invoice, Company shall have the right to terminate this Agreement and/or seek all damages allowed by law including all liquidated damages described herein.

If Customer defaults in the performance of any other material obligations under this Agreement; or commits an act of bankruptcy or become the subject of any proceeding under the Bankruptcy Act or become insolvent, or if any substantial part of Customers' property becomes subject to any levy, seizure, assignment, application or sale for or by any creditor or governmental agency, then in any such event, Company, at its option, may upon written notice to Customer: (i) withhold the performance or delivery of Services; (ii) terminate this Agreement; (iii) and declare all liquidated amounts due, and to become due, immediately due and payable. The remedies contained herein are cumulative and in addition to all other rights and remedies available to Company under this Agreement, by operation of law or otherwise.

4. NOTICE OF CLAIMS AND LIMITATION OF ACTIONS.

UNLESS SUBJECT TO A SPECIFIC STATUTE OR INTERNATIONAL CONVENTION CONTAINING A SHORTER TIME PERIOD, NOTICE OF ALL CLAIMS AGAINST THE COMPANY FOR A POTENTIAL OR ACTUAL LOSS, MUST BE MADE IN WRITING AND RECEIVED BY THE COMPANY, WITHIN NINETY (90) DAYS OF THE EVENT GIVING RISE TO CLAIM. THE FAILURE TO GIVE THE COMPANY TIMELY NOTICE SHALL BE A COMPLETE DEFENSE TO ANY SUIT OR ACTION COMMENCED BY CUSTOMER..

UNLESS SUBJECT TO A SPECIFIC STATUTE OR INTERNATIONAL CONVENTION CONTAINING A SHORTER TIME PERIOD, ALL SUITS AGAINST COMPANY MUST BE FILED AND PROPERLY SERVED ON COMPANY AS FOLLOWS:

- (i) FOR CLAIMS ARISING OUT OF OCEAN TRANSPORTATION, WITHIN ONE (1) YEAR FROM THE DATE OF THE LOSS;
- (ii) FOR THOSE CLAIMS ARISING FROM AIR TRANSPORTATION, WITHIN TWO (2) YEARS FOR THE DATE OF THE LOSS;
- (iii) FOR THOSE CLAIMS ARISING OUT OF THE PREPARATION AND/OR SUBMISSION OF AN IMPORT ENTRY(S), WITHIN SEVENTY FIVE (75) DAYS FROM THE DATE OF LIQUIDATION OF THE ENTRY(S); AND
- (iv) FOR ANY AND ALL OTHER CLAIMS OF ANY OTHER TYPE, WITHIN TWO (2) YEARS FROM THE DATE OF THE LOSS OR DAMAGE.

5. NO LIABILITY FOR THE SELECTION OR SERVICES OF THIRD PARTIES AND/OR ROUTES.

UNLESS SERVICES ARE PERFORMED BY PERSONS OR FIRMS ENGAGED PURSUANT TO EXPRESS WRITTEN INSTRUCTIONS FROM THE CUSTOMER, COMPANY SHALL USE REASONABLE CARE IN ITS SELECTION OF THIRD PARTIES, OR IN SELECTING THE MEANS, ROUTE AND PRODUCE TO BE FOLLOWED IN THE HANDLING, TRANSPORTATION, CLEARANCE AND DELIVERY OF THE SHIPMENT. THE SELECTION BY COMPANY OF A PARTICULAR PERSON OR FIRM TO RENDER SERVICES WITH RESPECTS TO CUSTOMER'S GOODS SHALL NOT BE CONSTRUED AS A WARRANTY RELATED TO ANY ACTIONS UNDERTAKEN OR FAILED TO BE UNDERTAKEN BY THE SELECTED THIRD PARTIES OR ITS AGENTS. MOREOVER, COMPANY SHALL NOT BE RESPONSIBLE NOR LIABLE FOR ANY ACTION(S) AND/OR INACTION(S) OF SUCH THIRD PARTIES AND/OR ITS AGENTS, AND SHALL NOT BE LIABLE FOR ANY DELAY OR LOSS OF ANY KIND, WHICH OCCURS WHILE A SHIPMENT IS IN THE CUSTODY OR CONTROL OF A THIRD PARTY OF THE AGENT OF A

THIRD PARTY. ALL CLAIMS IN CONNECTION WITH THE ACTS OF A THIRD PARTY SHALL BE BROUGHT SOLELY AGAINST SUCH PARTY AND/OR ITS AGENTS.

6. Quotations Not Binding.

Quotations as to fees, rates of duty, freight charges, insurance premiums, or other charges given by the Company to the Customer are for informational purposes only and are subject to change without notice. No quotation shall be binding upon the Company unless the Company in writing agrees to undertake the handling or transportation of the shipment at a specific rate or amount set forth in the quotation and payment arrangements are agreed to between the Company and the Customer.

7. Reliance On Information Furnished.

Customer acknowledges that it is required to review all documents and declarations prepared and/or filed with the Customs Service, other Government Agency and/or third parties, and will immediately advise the Company of any errors, discrepancies incorrect statements, or omissions on any declaration filed on Customer's behalf.

In preparing and submitting Customs entries, export declarations, applications, documentation and/or export data to the United States and/or a third party, Company shall rely on all information furnished by Customer, whether in verbal, written or electronic format. Customer shall use reasonable care to insure the accuracy of all such information and shall indemnify and hold the Company harmless from any and all claims asserted and/or liability or losses suffered by reason of any incorrect or false statement upon which the Company reasonable relied.

8. Declaring Higher Value To Third Parties.

The Company will request excess valuation coverage from third parties only upon specific written instructions from the Customer, for which Customer must agree to pay any charges therefore. In the absence of written instructions to the contrary or the refusal of the third party to agree to a higher declared value, at Company's discretion, Customers' Goods may be tendered to the third party, subject to any terms of the third party's limitations of liability and/or terms and conditions of service.

9. Insurance.

Customer may obtain and is encouraged to obtain insurance coverage, for any goods, items or things handled under this Agreement. Unless specifically requested to do so in writing and confirmed by Customer in writing, Company is under no obligation to procure insurance of any kind covering Customer's Goods whether on behalf of Customer or Company. If requested, Customer shall pay all premiums and costs in advance .

10. LIMITATION OF LIABILITY OF CUSTOMER AND THIRD PARTIES

CUSTOMER AGREES THAT IN CONNECTION WITH ANY AND ALL SERVICES PERFORMED BY THE COMPANY, THE COMPANY SHALL ONLY BE LIABLE FOR THE NEGLIGENT ACTS OF COMPANY WHICH ARE THE PROXIMATE CAUSE OF ANY INJURY TO CUSTOMER, INCLUDING LOSS OR DAMAGE TO CUSTOMER'S GOODS, AND THE COMPANY SHALL IN NO EVENT BE LIABLE FOR THE ACTS OF THIRD PARTIES.

IN ANY EVENT, THE COMPANY'S COMPLETE AND TOTAL LIABILITY, WHETHER IN TORT OR IN CONTRACT, SHALL BE LIMITED TO THE FOLLOWING:

- (I) WHERE THE CLAIM ARISES FROM ACTIVITIES OTHER THAN THOSE RELATING TO CUSTOMS BROKERAGE, \$50.00 PER SHIPMENT OR TRANSACTION, OR

- (II) WHERE THE CLAIM ARISES FROM ACTIVITIES RELATING TO "CUSTOMS BUSINESS," \$50.00 PER ENTRY OR THE AMOUNT OF BROKERAGE FEES PAID TO COMPANY FOR THE ENTRY, WHICHEVER IS LESS;
- (III) WHERE THE CLAIM ARISES FROM THE ACTIVITIES RELATING TO "WAREHOUSE AND DISTRIBUTION", OUR LIABILITY FOR PHYSICAL LOSS OR DAMAGE TO GOODS IN OUR CARE, CUSTODY AND CONTROL SHALL BE LIMITED TO AND NOT MORE THAN \$ 0.50 PER POUND.
- (IV) FOR ALL OTHER CLAIMS, \$50.00 PER SHIPMENT OR TRANSACTION.

COMPANY SHALL NOT BE LIABLE FOR LOSS OR DAMAGE THAT COULD NOT HAVE BEEN AVOIDED BY THE EXERCISE OF REASONABLE CARE. IN NO EVENT SHALL COMPANY BE LIABLE OR RESPONSIBLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, STATUTORY, LOSS PROFIT, LOST REVENUE OR PUNITIVE DAMAGES EVEN IF IT HAS BEEN PUT ON NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

CUSTOMER RECOGNIZES THAT THIRD PARTIES TO WHOM THE GOODS ARE ENTRUSTED MAY LIMIT THEIR LIABILITY FOR LOSS OR DAMAGE.

11. EXPRESS OR IMPLIED WARRANTIES

COMPANY MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND IN CONNECTION WITH THE SERVICES PROVIDED HEREIN.

12. Advancing Money.

All charges must be paid by Customer in advance, unless the Company agrees in writing to extend credit to customer, the granting of credit to a Customer in connection with a particular transaction shall not be considered a waiver of this provision by the Company. If charges are not paid within a period of twenty-eight (28) days of the invoice date, a monthly finance charge of 1.5 percent will be assessed on all unpaid charges.

13. INDEMNIFICATION/HOLD HARMLESS.

THE CUSTOMER AGREES TO INDEMNIFY, DEFEND, AND HOLD THE COMPANY HARMLESS FROM ANY CLAIMS AND/OR LIABILITY ARISING FROM THE IMPORTATION OR EXPORTATION OF CUSTOMERS' GOODS AND/OR ANY CONDUCT OF THE CUSTOMER, WHICH VIOLATES FEDERAL, STATE AND/OR OTHER LAWS, AND FURTHER AGREES TO INDEMNIFY AND HOLD THE COMPANY HARMLESS AGAINST ANY AND ALL LIABILITY, LOSS, DAMAGES, COSTS, CLAIMS AND/OR EXPENSES, INCLUDING BUT NOT LIMITED TO REASONABLE ATTORNEY'S FEES, WHICH THE COMPANY MAY HEREAFTER INCUR, SUFFER OR BE REQUIRED TO PAY BY REASON OF SUCH CLAIMS.

14. C.O.D. or Cash Collect Shipments.

Company shall use reasonable care regarding written instructions relating to "Cash/Collect" on "Deliver (C.O.D.)" shipments, bank drafts, cashier's and/or certified checks, letter(s) of credit and other similar payment documents and/or instructions regarding collection of monies but shall have no liability if the bank or consignee refuses to pay for the shipment.

15. Costs of Collection.

In any dispute involving monies owed to Company, the Company shall be entitled to all incurred costs of collection, including reasonable attorney's fees and interest at 15% per annum or the highest rate allowed by law, whichever is less, unless a lower amount is agreed to by Company.

16. General Lien And Right to Sell Customer's Property.

Company hereby claims and asserts and Customer hereby grants a legal, contractual, warehouseman's and constitutional lien on any and all property of Customer coming into Company's actual or constructive possession or control for monies owed to Company with regard to the shipment or goods on which the amount due is claimed, a prior shipment(s) or goods and/or both. Nothing in this paragraph shall serve to limit or prevent Company from asserting any and all existing statutory, constitutional or common-law liens.

In the event Customer fails to timely pay as required herein, Company may, upon thirty days written notice to Customer, sell all or part of Customers' Goods at public or private sale or auction and any net proceeds remaining thereafter shall be refunded to Customer.

17. No Duty To Maintain Records For Customer.

Customer acknowledges that pursuant to Sections 508 and 509 of the Tariff Act, as amended, (19 USC 1508 and 1509), it has the duty and is solely liable for maintaining all records required under the Customs and/or other Laws and Regulations of the United States; unless otherwise agreed to in writing, the Company shall only keep such records that it is required to maintain by Statute(s) and/or Regulation(s), but not as a "recordkeeper" or "recordkeeping agent" for Customer.

18. Obtaining Binding Rulings, Filing Protests, etc.

Unless requested by Customer in writing and agreed to by Company in writing, Company shall be under no obligation to undertake any pre- or post Custom release action, including but not limited to, obtaining binding rulings, advising of liquidations, filing of petition(s) and/or protests, etc.

19. Preparations and Issuance of Bills of Lading.

Where Company prepares and/or issues a Bill of Lading, Company shall be under no obligation to specify thereon the number of pieces, packages and/or cartons, etc., unless specifically requested to do so in writing by Customer or its agent and Customer agrees to pay for same. Company shall use the weight for Goods supplied by Customer.

20. No Modification or Amendment Unless Written.

These terms and conditions of service may only be modified, altered in writing signed by both Customer and Company. Any attempt to unilaterally modify, alter or amend it shall be null and void.

21. Severability.

In the event any Paragraph(s) and/or portion(s) hereof is found to be invalid and/or unenforceable, then the remainder hereof shall remain in full force and effect.

22. Governing Law; Consent to Jurisdiction and Venue.

The parties agree that this Agreement and terms and the relationship of the parties shall be construed according to the laws of the State of Texas. Moreover, the parties hereby agree that the terms and conditions under this Agreement shall be performable in Webb County, Texas. Customer and Company irrevocably consent to the jurisdiction of the United States District Court for the Southern District, Laredo Division and the State courts of Webb County; agree that any action relating to the obligations described herein shall only be brought in said courts; consent to the exercise of in personal jurisdiction by said courts over it, and further agree that any action to enforce a judgment may be instituted in any jurisdiction.

23. Length of Contract: This contract shall be for a term of _____ years.

24. Early Termination and Liquidated Damages:

Early termination of this Agreement shall be effective upon 30 days written notice. However, Customers' termination of this Agreement before the term described herein shall constitute a breach hereof and as of the date of execution of this Agreement, the damages that would result from such breach are uncertain and as of the date of execution of this Agreement, the damages that would result from such breach are uncertain a breach would make it difficult to ascertain the exact amount of damages Customer would sustain and are not readily ascertainable at this time. It is agreed that the method of calculating liquidated damages described herein is intended as a reasonable forecast of just compensation for an early termination. Therefore, in the event of such a breach, Customer shall be liable to Company for liquidated damages equal to the average of the gross revenue received by Customer from Company under this Agreement in all previous months multiplied by the amount of remaining months under the term of this Agreement as described in the previous paragraph plus all fees of collection including all reasonable and necessary attorneys fees. In addition, Company reserves all other rights and remedies as allowed by law.

25. FORCE MAJEURE

Company shall not be liable or deemed to be in default for any delay or failure to perform under this Agreement or for interruption of the Services provided by Company resulting, directly or indirectly, from any cause beyond the Company's reasonable control, including without limitation, industrial disputes of whatever nature, power loss, telecommunications failure, computer virus attacks, acts of God, or any other cause beyond its reasonable control.

Effective this the _____ day of _____, _____.

CERTIFICATION

We, [_____] (Full Name of Sole Proprietorship, Partnership, or Corporation), acknowledge that we have read the Terms and Conditions of Service outlined on pages numbered one through three of this document. We are fully aware of the implications set forth in this document and agree to them unequivocally.

Authorized Company Representative (Print Name & Capacity)

Date

Signature

JAMCO International, Inc. (Print Name & Capacity)

Date

Signature