

Trans Executive Airlines of Hawaii, Inc. (Transair Express)
Rhoades Aviation, Inc. (Transair)
Terms of Contract

- 1 Non Negotiable Document:
In tendering the shipment described herein for carriage, Shipper agrees to these Conditions of Contract, which no agent or employee of the parties may alter, and that this airway bill is non-negotiable and has been prepared by Shipper or on Shipper's behalf by Carrier.
- 2 Carrier Tariffs Govern:
It is mutually agreed that the shipment described herein is accepted on the date hereof in apparent good order (except as noted) for carriage as specified herein, subject to governing tariffs in effect as of the date hereof. Said rates, rules and classifications stated in the most recent official Airline Freight Tariff of Carrier. Said rates, rules and classifications are available for Inspection by the parties hereto and are hereby incorporated into and made part of this contract.
- 3 Shippers Responsibility:
Shipper warrants that any article(s) in the shipment is properly described on the airway bill and that the shipment is packed to insure safe transportation with ordinary care in handling. Shipper warrants that any article susceptible to damage by ordinary handling, or as a result of any conditions normally encountered in air transportation, has been adequately protected with proper packing, markings, and labeling.
- 4 Inspection and reweighing:
All shipments are subject to inspection by the Carrier at the point of tender, point of transfer or at the destination. All freight tendered is subject to reweighing at either the point of tender, point of transfer or destination and recalculation of charges based on such reweighing.
- 5 Indemnification:
The Shipper and Consignee shall be liable, jointly and severally, to pay or indemnify Carrier for all claims, fines, penalties, damages, costs or other sums which may be incurred, suffered or disbursed by Carrier by reason of any violation of any of the rules contained in the most recent Official Airline Freight Tariff of Carrier or any other default of the Shipper or such other parties with respect to a shipment.
- 6 Applicable Routing and use of Equipment
Carrier routing applies unless shipper request a charter to accommodate specific routing. Availability of Equipment and Space Carrier will transport, consistent with its capacity to carry, all Property accepted for transportation. All shipments are subject to the availability of equipment

of the size and type capable of handling the shipment. Carrier will determine on a reasonable and not unjustly discriminatory basis, the priority for carriage between shipments, and will decide which shipments shall not be carried on a particular flight and which shall be removed at any time or place whatsoever.

7 Use of Other Carrier:

Shipment may be diverted to motor or another carrier as per tariff rule unless shipper gives other instructions.

8 Exclusions:

Carrier shall not be liable for loss, damage, delay or other result caused by:

Acts of God, perils of the air, public enemies, public authorities acting with actual or apparent authority in the premises, authority of law, quarantine, riots, unavailability, in whole or in part, of aircraft fuel, strikes, civil commotions, or hazards or dangers incident to the state of war or nuclear risk.

Violation by the Shipper or Consignee of any of the rules contained in this contract of carriage, including, but not confined to, improper or insufficient packing, securing, marking, or addressing, and failure to observe any of the rules relating to shipments not acceptable only under certain conditions.

9 Consequential and Special Damages:

Carrier shall not be liable for special or consequential damages unless, at time of receipt of the shipment from the shipper, Carrier is given written notice on the airway bill of the circumstances which could result in such damages; however, this provision shall not limit any right of the Carrier to refuse the shipment.

10 Limit of Liability

In consideration of the applicable transportation rates, shipper, consignee and all parties having an interest in the shipment agree that the value of the shipment shall be determined as follows, and that the total liability of Carrier and its agents, including liability for special or consequential damages, shall in no event exceed the lesser of \$5,000.

For shipments not having a declared value, the total liability of Carrier shall in no event exceed 50¢ per pound of each piece of the shipment which may have been delayed, lost, damaged, or destroyed (but not less than \$50.00 per shipment) or the actual value of such piece,

whichever is less, plus the amount of any transportation charges for which Carrier may be liable.

For shipments having a declared value, the total liability of Carrier shall in no event exceed \$5,000.00, or the value of the shipment, whichever is less, plus the amount of any transportation charges, for which the carrier may be liable. The charge for Declared Value shall be \$.75 per \$100.00 (or fraction thereof).

The amount of any damage actually sustained.

11 Unclaimed Cargo:

Notice and Disposition of Property If a shipment is unclaimed or cannot be delivered, Carrier will notify the shipper by phone or using the contact information on the airway bill. Carrier will dispose of the shipment in accordance with instructions received from the shipper only, and at the shipper's expense. If no instructions are received within 15 days after contacting the shipper, Carrier will dispose of the shipment as they see fit.

12 Claims and Procedures:

Damage and/or loss discovered by the Consignee after delivery and after a clear receipt has been given to the Carrier must be reported in writing within 15 days after delivery of the shipment, with privilege to Carrier to make inspection of the shipment and container within 15 days after receipt of such notice. If more than 15 days elapse between the date of delivery of the shipment by the Carrier and notice of loss or damage by the Consignee, the Consignee shall show good cause why the loss or damage was not discovered earlier and timely notification given. No claim, with respect to a Shipment, any part of which is received by the Consignee, will be entertained until all transportation charges have been paid.

13 Dimensional Weights:

Shipment is subject to charges for actual or dimensional weight in accordance with Carrier's applicable rules.

14 SCHEDULES NOT GUARANTEED:

Carrier does not undertake to operate any flight according to a specific schedule, to make connections with any particular flight, or to transport a particular shipment on a particular flight, provided, that carrier may, for operational purposes, preplan space for shipments occurring on a regular basis prior to the tender thereof, but acceptance of all such advance notice of tender shall be tentative only and shall not constitute

a guarantee that such shipments will be destination at or within a specific time.

15 State of Hawaii Law Applicable:

This Agreement is subject to, and will be interpreted in accordance with the laws of the State of Hawaii, without regard to principles of conflict of law.