International Door to Door Parcel Delivery Service Terms and Conditions

Ministry of Land, Infrastructure, Transport and Tourism Permit (国政参複) No. 68

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Contents

Chapter 1 General Provisions (Articles 1 and 2)

Chapter 2 Acceptance of Transport (Articles 3 through 12)

Chapter 3 Delivery of Parcels (Articles 13 through 16)

Chapter 4 Liability (Articles 17 through 26)

Chapter 1 General Provisions

Article 1 (Scope)

- 1. These Terms and Conditions shall apply to "International Door to Door Parcel Delivery Service" (International TA-Q-BIN, International Parcel Service) provided by Yamato Transport Co., Ltd.
- 2. This service provides services of "Type 2 Consigned Parcel Forwarding Business" set forth in Article 2, Paragraph 8 of Consigned Freight Forwarding Business Act (Law No. 82 of 1989) relevant to international delivery of freight provided by an air transport services provider (provider of air transport services set forth in Article 2, Paragraph 18 of Civil Aeronautics Act (Law 231 of 1952) (or international delivery of freight by consigned freight forwarders utilizing such delivery of freight).
- 3. Shipper is deemed to have agreed to these Terms and Conditions and other terms set forth hereunder.
- 4. Laws and regulations or customary practice shall apply to any matters not stipulated in these Terms and Conditions.
- 5. Yamato may accept applications for special agreements to the extent not contrary to laws and regulations, including Consigned Freight Forwarding Business Act.

Article 2 (Definitions)

1. "International Door to Door Parcel Delivery Service" (hereinafter "International TA-Q-BIN, International Parcel Service") means a service undertaken for an "all-in freight charge" for delivery, acceptance or arrangement of delivery, and supplemental services for door-to-door transport from Shipper to Recipient.

- 2. "International Door to Door Delivery Parcel" (hereinafter "Parcel") means one small Parcel transported pursuant to one waybill, to one Recipient, at one address, and accepted at one place at one time from one Shipper, and treated as one item of freight, by Yamato under these Terms and Conditions.
- 3. "Yamato" means Yamato Transport Co., Ltd. who provides International TA-Q-BIN, International Parcel Service.
- 4. "International TA-Q-BIN Waybill" (hereinafter "Waybill") means a document created by Shipper or on behalf of Shipper which certifies the contract between Yamato and Shipper regarding International TA-Q-BIN, International Parcel Service.
- 5. "Shipper" means the person whose name is printed on the Waybill as the party who entered into a contract with Yamato regarding transport of the Parcel.
- 6. "Recipient" means the person whose name is printed on the Waybill as the person to whom Yamato is supposed to deliver the Parcel.
- 7. "Forwarder, Etc." means a provider of transport services and its employees which Yamato uses for transport services.
- 8. "Convention" means that one of the following which is applicable:

"Convention for the Unification of Certain Rules Relating to International Carriage by Air" signed at Warsaw on October 12, 1929 ("Warsaw Convention")

"The Warsaw Convention as amended at The Hague 1955" signed at Hague on September 28, 1955 ("Amended Warsaw Convention")

"Warsaw Convention as amended at The Hague 1955" as amended by Montreal Protocol No. 4 signed at Montreal on September 25, 1975 ("Montreal Protocol No. 4")

"Convention for the Unification of Certain Rules Relating to International Carriage by Air" signed at Montreal on May 28, 1999 ("Montreal Convention")

9. "SDR" means Special Drawing Rights as defined by International Monetary Fund.

Chapter 2 Acceptance of Transport

Article 3 (Waybill)

1. Shipper shall create a Waybill for each Parcel when Shipper requests transport of a Parcel. Upon request from Shipper, Yamato may create the Waybill on its behalf,

however, Shipper shall be responsible for the contents of the Waybill.

- 2. The following items are required to be entered in the Waybill:
 - (1) name, address and telephone number of Shipper;
 - (2) name, address and telephone number of Recipient;
 - (3) detailed contents of the Parcel (Description);
 - (4) signature of Shipper and the date;
 - (5) declared value;
 - (6) quantity, weight and size categories; and
 - (7) other items which Yamato requires.

Article 4 (Customs Invoice)

In the case where it is required for customs procedures, Shipper shall prepare a customs invoice for each Parcel based on the contents of the Parcel, and submit it to Yamato.

Article 5 (Customs)

Shipper warrants that the entries and declared matters, etc. on the customs invoice are correct and accurate. Shipper is deemed to have agreed that, in the case of any false or inaccurate description, Shipper may be subject to civil sanctions, including forfeiture and public auction, and criminal sanctions. Yamato is deemed to be appointed as Shipper's agent for customs procedures upon Yamato's acceptance of transport of the Parcel.

Article 6 (Check of contents of Parcels)

In the case where Yamato determines it to be necessary, Yamato may check the contents of Parcels for necessary matters. However, the fact that Yamato performs an inspection does not warrant that the transport of the Parcel does not violate the laws and regulations of the originating, transiting, and destination countries (or states or regions).

Article 7 (Packing)

Shipper shall be responsible for the packing of Parcels and shall pack Parcels in a manner suitable for transport according to the character, weight, volume, etc. of the Parcels. In the case where the packing of Parcels is determined not to be suitable for transport, Yamato may request the Shipper to undertake necessary packing of the Parcels, or Yamato itself may properly pack the Parcels at the expense of the Shipper.

Article 8 (Refusal of acceptance)

Yamato may refuse acceptance of transport of Parcels in any of the following cases:

- (1) the shipping request does not comply with these Terms and Conditions;
- (2) the Shipper fails to enter necessary items in the Waybill or customs invoice;
- (3) the contents of the Waybill, customs invoice, or declared matters are false or inaccurate;
- (4) there is no facility suitable for transport;
- (5) the packing is not suitable for transport;
- (6) the Shipper requests Yamato to bear a special obligation in relation to transport; or
- (7) existence of unavoidable circumstances, such as a natural disaster.

Article 9 (Limitation, etc. of acceptance)

- 1. Yamato shall not accept the transport of Parcels falling under the following items:
 - (1) where the weight of the Parcel exceeds twenty-five (25) kilograms;
 - (2) where the total length of height, width and length of the Parcel exceeds one hundred and sixty (160) centimeters;
 - (3) where the value of the Parcel exceeds two hundred thousand Japanese yen (¥200,000)
 - (4) where the transport charges are requested as "Parcel collect"
 - (5) where the Parcel falls under one of the following items:
 - gold, silver, platinum or other precious metals, precious stones including diamonds and semiprecious stones, currencies of various countries (notes, coins), any and all types of jewelry, and other precious materials;
 - ii. negotiable securities;
 - iii. private letter correspondence, or communication measures defined as private letter correspondence under current laws;
 - iv. animals and plants;
 - v. remains;
 - vi. easily perishable items;
 - vii. explosives for small firearms and firearms;
 - viii. explosives;
 - ix. compressed gas;
 - x. flammable liquids and solids, combustible solids;
 - xi. flash light bulbs for photography;
 - xii. magnetic materials;

xiii. mercury;

xiv. acid and other perishable substances, any and all bases and acids;

xv. oxidants;

xvi. poisonous materials;

xvii. evaporative materials;

xviii. materials defined as dangerous materials (under Dangerous Goods Regulations of ICAO and IATA);

xix. documents, etc. which are difficult to reissue (examination admission cards, passports, vehicle inspection certificates);

xx. manuscripts, original drawings, tapes, films which are impossible to reproduce;

xxi. credit cards, cash cards, and other cards;

xxii. mortuary tablets, ancestral remains;

xxiii. guns and swords;

xxiv. narcotic drugs;

xxv. dirty Parcels or any similar Parcels that are likely to cause damage to other Parcels;

xxvi. materials detrimental to public order or injurious to public morals;

xxvii. items containing personal information of multiple persons;

xxviii. articles which are legally prohibited for transport;

xxix. Parcel for which the transport, import, and export, etc., are prohibited or restricted by laws and regulations of importing and exporting countries, including countries transited, states, local governments and federal governments; and

xxx. items which Yamato determines to be inappropriate.

2. Shipper is responsible for payment to a reasonable extent of fees and expenses (including storage fees), losses, taxes and duties, etc. incurred by Yamato due to a refusal, cancellation or suspension of transport or return of Parcel under these Terms and Conditions.

Article 10 (Freight charge)

- 1. The freight charge shall be an "all-in freight charge" as set forth in Article 2, Paragraph 1 and the details shall be as per the price list set forth by Yamato. An "all-in freight charge" includes collection and delivery fee at the shipping place and destination, customs fee, freight, handling fee, etc.
- 2. The freight charge set forth in the preceding Paragraph does not include duties,

consumption tax, value added tax, deposit money, fine, surcharge and other charges. If Yamato pays these charges, Shipper shall immediately reimburse the full amount to Yamato.

- 3. If Yamato arranges procedures or provides services beyond the normal range in accordance with the request of Shipper or Recipient, the expenses or charges shall be collected from the Shipper or Recipient who requested the services.
- 4. If Recipient does not pay the amount it owes, Shipper shall pay it.
- 5. The price list is subject to amendment in accordance with the amendment of air cargo charges and other economic changes.

Article 11 (Payment of freight charges)

- 1. The freight charge set forth in the preceding Article shall be paid in principle upon acceptance of transport. However, in the case of the following items, Shipper shall make payment before the due date agreed with Yamato and may select one of the following methods:
 - (1) In case of freight prepaid: Shipper shall pay the freight charge and Recipient shall pay duties and taxes (where applicable) in the country of destination.
 - (2) In case of deferred payment for freight charge, duties, etc.: Shipper shall pay the freight charge and duties and taxes (where applicable) in the country of destination.
- 2. Notwithstanding the provision of the preceding Paragraph, a third person other than Shipper and Recipient may pay the freight charge, duties, etc., subject to the advance consent of Yamato.
- 3. If Recipient or the third person does not make payment, Shipper shall bear the responsibility for payment. Additionally, in the case where Yamato is required to pay for some part of taxes, duties or surcharges on behalf of Shipper, Recipient, or some other person, and Yamato cannot collect payment from the relevant parties, Shipper bears the responsibility to pay such amount upon demand from Yamato. The same shall apply in the case where Yamato requests Recipient or a third person to make payment and they do not make payment for the fees or charges which are due.

Article 12 (Transport route and method)

Yamato is entrusted with the handling of the Parcels and measures, routes, and procedures that should be taken for storage, customs and transport, and shall utilize the best methods.

Chapter 3 Delivery of Parcels

Article 13 (Delivery of Parcels, etc.)

- 1. Yamato shall deliver the Parcels to Recipient at the place described in the Waybill. However, Yamato may deliver the Parcels to Recipient's agent, or any person deemed as its agent (Recipient's contact section, building manager, family member, joint resident, neighbor, or colleague, etc., who will accept delivery of the Parcel on behalf of Recipient) when Recipient is absent or Yamato cannot deliver the Parcels directly to Recipient, unless otherwise specifically agreed between Yamato and Shipper.
- 2. Yamato may cancel or suspend the transport of Parcels when Yamato cannot deliver them after multiple attempts, Recipient refuses delivery of Parcels, Yamato cannot deliver the Parcels due to wrong address (and Yamato is unable to find the correct address despite reasonable efforts), Yamato cannot deliver the Parcels because the correct address is located in a different country from the one described in the Waybill, or Yamato cannot collect the amount to be received from Recipient upon delivery.
- 3. Yamato shall be able to use electronic devices in order to obtain a certificate of delivery. Shipper agrees that Yamato may use as evidence a hard copy of a certificate of delivery which was obtained and stored electronically.

Article 14 (Cases where Yamato can not deliver Parcels)

- 1. If Recipient does not exist at the address described in the Waybill, or if Recipient fails or refuses to receive Parcels, or cannot receive Parcels for any other reason, Yamato shall, without delay, request instructions from the Shipper regarding handling measures for the Parcels, specifying a reasonable period.
- 2. The Shipper shall bear the expenses incurred by Yamato in requesting instructions as set forth in the preceding Paragraph and in disposing of the Parcels according to the instructions.

Article 15 (Disposal of Parcels that Yamato can not deliver)

1. When instructions set forth in Paragraph 1 of the preceding Article are not received within the specified reasonable period, Yamato may sell or otherwise dispose of the Parcels in accordance with the laws and regulations of the country of Recipient, after taking custody of the Parcels for a period of thirty (30) days from the date when Yamato requested instructions from the Shipper. However, if the Parcels will

- deteriorate or are perishable, Yamato may immediately sell or otherwise dispose of the Parcels.
- 2. When disposing of the Parcels pursuant to the provisions of the preceding Paragraph, Yamato shall notify the Shipper thereof without delay.
- 3. When Yamato has disposed of the Parcels pursuant to the provisions of Paragraph 1, Yamato shall apply the proceeds from the disposal to the expenses incurred by Yamato in requesting instructions, taking custody, disposing of the Parcels and for other advance payments. If the proceeds are less than the expenses, Yamato shall demand payment of the shortfall, and if the proceeds exceed the expenses, Yamato shall refund the excess to the Shipper.

Article 16 (Right of retention)

- Yamato retains the right of retention over the Parcels for the collection of all
 expenses incurred by Yamato, including freight charges, advance payments, and
 other expenses incurred under these Terms and Conditions. Yamato may refuse to
 deliver the Parcels until Yamato receives payment of such expenses.
- 2. Yamato may, in accordance with these Terms and Conditions, refuse to deliver Shipper's Parcels, which Yamato holds under the transport agreement between Yamato and Shipper, until Yamato receives payment of all expenses incurred under the transport agreement between Yamato and Shipper.

Chapter 4 Liability

Article 17 (Liability)

- 1. The liability of Yamato shall be as set out below; provided that, a case where the provisions of this Article are deemed void because a Convention or other applicable laws and regulations stipulate otherwise and indemnify Yamato's liability, or stipulate a lower limit of liability, shall be excluded.
- 2. Except for the cases set forth in Paragraphs 3 through 5 of this Article, Yamato shall be liable for damages due to loss, damage, cause of loss or damage, or delay arising from the transport of

Parcels, or incidental other operations by Yamato (hereinafter "Damage") when the cause of Damage occurs during the transport; provided that, Yamato shall not be liable when Damage arises from one of the following circumstances, or when it is proved that Damage was not caused by Yamato's willfulness or negligence:

- (1) an inherent defect or natural wear and tear of the Parcels;
- (2) incompleteness or defect of package or necessary description in the Waybill,

- such as address, code, number, etc.;
- (3) ignition, an explosion, rot, mold, decay, change in color, rust or any other similar event, caused by the contents of the Parcels;
- (4) damages due to X-ray, radiation, magnetism, etc.;
- (5) labor slowdown or strike, social unrest, hijack, terrorism, robbery, incident, war or warlike activities;
- (6) acts of god, fire or other disasters beyond control;
- (7) an unforeseeable extraordinary hazard to traffic conditions, avoidance of danger during navigation, rescue or lifesaving activities;
- (8) an earthquake, tidal wave, tidal surge, flood, storm, landslide, avalanche, or any other natural disaster;
- (9) suspension of transport, unsealing, inspection, condemnation, attachment or surrender to any third person by laws or regulations, or the exercise of public authority; or
- (10) an error in entry of information to be entered at the responsibility of Shipper, wrong or incomplete information in a declaration, or other willfulness or negligence of the Shipper or the Recipient.
- 3. Yamato shall be liable for damages due to loss, damage, or cause of loss or damage caused by the transport of

Parcels subject to Montreal Protocol No. 4 and other supplemental services provided by Yamato (hereinafter "Loss, etc."; Loss, etc. does not include delay), only when the accident, etc., causing the Loss, etc. occurs during the transport. However, if it is proved that the Loss, etc. arises only as a result of any of the following items, Yamato shall not be liable:

- (1) an inherent defect in or nature of the Parcels;
- (2) defect in packing done by persons other than Yamato, or Yamato's employees or agents;
- (3) war or armed conflict; or
- (4) laws and ordinances, governmental regulations, orders or instructions relevant to import, export or transit of Parcels.
- 4. Yamato shall be liable for damages due to loss, damage, or cause of loss or damage caused by the transport of Parcels subject to the

Montreal Convention and other supplemental services provided by Yamato (hereinafter "Loss, etc."; Loss, etc. does not include delay), only when the accident, etc., causing the Loss, etc. occurs during the transport. However, if it is proved that the Loss, etc. arises only as a result of any of the following items, Yamato shall

not be liable:

- (1) an inherent defect in or nature of the Parcels;
- (2) defect in packing done by persons other than Yamato, or Yamato's employees or agents;
- (3) war or armed conflict; or
- (4) laws and ordinances, governmental regulations, orders or instructions relevant to import, export or transit of Parcels.
- 5. Yamato shall be liable for damages caused by delay in the transport of Parcels subject to Montreal Protocol No. 4 and the Montreal Convention, and other supplemental services provided by Yamato (hereinafter "Delay"), only when the Delay arises during the transport. However, if Yamato proves that Yamato took all necessary measures to prevent the Delay, or it was impossible for Yamato to take such measures, Yamato shall not be liable.
- 6. Shipper and Recipient shall, in any case, when their Parcels cause damage to other Parcels or Yamato's properties, compensate for damages and expenses incurred by Yamato. Yamato may dispose of or destroy Parcels which may cause harm to aircraft, personnel or other items without advance notice, and shall not assume any liability for that.
- 7. Yamato's liability for any Loss, etc. shall be limited to two hundred thousand Japanese yen (¥200,000) per Parcel, and in the case where the Shipper does not declare the value of the Parcel, Yamato's liability shall be limited to twenty-two (22) SDR per kilogram for such Parcel.
- 8. In the case of the preceding Paragraph, the claim amount for damages may not exceed the actual damages to the Parcels, calculated based on either the actual purchase price of the goods or ordinary value of goods of the same sort and same quality, or if neither of them exists, the value deemed appropriate within such limitation.
- 9. Yamato's liability for Delay shall be limited to the freight charge for the Parcel.
- 10. Yamato shall not be liable for any indirect damages except for damages caused by Delay. This means that Yamato will be liable only for property damages directly incurred to the Parcels and shall not be liable for indirect damages incurred consequentially. Such indirect damages include, but are not limited to, damages due to lost profit, interest, loss of utility and loss of business opportunity.
- 11. A currency conversion relating to damages shall, in the case of litigation, be made with the exchange rate effective on the day of conclusion of oral arguments, and, in cases other than litigation, be made with the exchange rate effective on

the day when the amount of damages payable is fixed.

Article 18 (Damages and handling to avoid danger)

- 1. In the case where there is actual harm to a person or other goods or when Yamato determines that it will happen, as a result of the character of, a defect in, etc., the Parcels being transported, Yamato shall be able to, at any time and any place, suspend transport, and inspect, unload, destroy, dispose of, or detoxify, etc. the Parcels, depending on the circumstances. In this case, Shipper shall bear all expenses and damages arising from the handling.
- 2. Yamato shall not be liable for damages arising as a result of handling taken to avoid danger.

Article 19 (Tort liability)

Even in the case where a claim is made against Yamato for payment for damages arising from a tort by Yamato and/or the Forwarder, Etc. by Shipper or Recipient in respect of the Parcels, Yamato shall be able to use the provisions of these Terms and Conditions.

Article 20 (Use of Immunity from Liability)

Employees of Yamato and/or Forwarder, Etc. shall be able to utilize the provisions of these Terms and Conditions relating to immunity from liability against Shipper and/or Recipient.

Article 21 (Period and method of complaint)

- 1. In the case where the Parcels are delivered to Recipient without any complaint, or the Parcels are taken and there is report of completion of delivery without any notation of accident, etc. on the receipt, it shall be proof of the fact that the Parcels were transported properly in accordance with these Terms and Conditions.
- 2. A claim for damages in respect of Parcels will not be accepted by Yamato unless it is made in writing and submitted to Yamato by the following times:
 - (1) in the case of damage to the Parcels, within fourteen (14) days after Recipient receives the goods;
 - (2) in the case of a delay in delivery of Parcels, within twenty-one (21) days after Recipient receives the Parcels; and
 - (3) in the case of loss of Parcels, within one hundred and twenty (120) days after the date of issuance of the Waybill.

Article 22 (Liability in connecting transport or utilization transport)

Yamato may transport Parcels in cooperation with some other transportation facility or by utilizing some other freight truck transportation company or other transportation facility. Even in such case, Yamato shall bear liability for transport under these Terms and Conditions.

Article 23 (Shipper's liability for compensation)

The Shipper shall be liable to compensate Yamato for damages incurred by Yamato due to a defect in or the content of the Parcels; provided that, this shall not apply when the Shipper, without negligence, had no knowledge of the content of or the defect in the Parcels.

Article 24 (Limitation of action)

- 1. A suit against Yamato in regard to its liability must be filed within two (2) years from the delivery of Parcels to Recipient at the destination, the due date for delivery, or the day on which the transport was cancelled.
- 2. The period in the preceding Paragraph shall be calculated under the laws of Japan as the originating country.

Article 25 (Jurisdiction)

- 1. A suit against Yamato must be filed with the court which has jurisdiction over the head office of Yamato in Japan or the branch office of Yamato which entered into the relevant contract.
- 2. The procedures for a suit against Yamato shall be subject to the laws of Japan as the originating country.

Article 26 (Application of these Terms and Conditions and laws and regulations)

In the case where any provisions of these Terms and Conditions violate Conventions, laws, governmental regulations, orders or demands, such provisions shall remain in force and applicable to the extent not conflicting with those laws and ordinances, and the invalidity of any provision shall not affect the other provisions of these Terms and Conditions.