TA-Q-BIN

Terms and Conditions

Kanto District Transport Bureau Motor Truck Freight No. 1472

Date of Approval: January 5, 2010

Contents

Chapter 1	General Provisions (Article 1)
Chapter 2	Acceptance of Transport (Articles 2 through 9)
Chapter 3	Delivery of Parcels (Articles 10 through 14)
Chapter 4	Instructions (Articles 15 and 16)
Chapter 5	Accidents (Articles 17 through 19)
Chapter 6	Liability (Articles 20 through 29)

Chapter 1 General Provisions

Article 1 (Scope)

- 1. These Terms and Conditions shall apply to transport of parcels to which *TA-Q-BIN* charges apply.
- 2. Laws and regulations or customary practice shall apply to any matters not stipulated in these Terms and Conditions.
- 3. Notwithstanding the provisions of the preceding two (2) Paragraphs, Yamato may accept applications for special agreements to the extent not contrary to laws and regulations.

Chapter 2 Acceptance of Transport

Article 2 (Time of acceptance)

1. Yamato shall set the time to accept parcels and post it at its branch offices and other

offices.

2. When intending to change the time to accept parcels set forth in the preceding Paragraph, Yamato shall post the new time to accept at its branch offices and other offices in advance.

Article 3 (Address label)

- When accepting transport of parcels, Yamato shall issue a separate address label for every parcel stating the following items. In such case, those matters referred to in Subparagraphs (1) through (6) shall be entered by the shipper and those referred to in Subparagraphs (7) through (16) shall be entered by Yamato; provided, however, Yamato may omit to enter the items referred to in Subparagraph (11).
 - (1) name, address, telephone number and postal code of the shipper;
 - (2) name of the recipient, and the delivery destination, its telephone number and its postal code;
 - (3) date of delivery of parcels pre-directed by the shipper (hereinafter referred to as "Delivery Request Date"; provided that, it shall be within seven (7) days of acceptance of the parcels by Yamato;
 - (4) time of delivery of parcels pre-directed by the shipper (hereinafter referred to as "Delivery Time Zone");
 - (5) contents of the parcels;
 - (6) special notes of caution in transport (the category of the character of the parcel, including items that are frangible, subject to deterioration or perishable, and other necessary information shall be included);
 - (7) type of Door to Door Parcel Delivery Service;
 - (8) name, address and telephone number of Yamato;
 - (9) name of the branch office or other office that accepted transport of the parcels;
 - (10) date of receipt of the parcels;
 - (11) scheduled delivery date of the parcels (if Yamato accepts transport of parcels which the recipient will use on a specific day and time, Yamato

shall write the intended use and the delivery date and time of the parcels);

- (12) category by weight and volume;
- (13) freight charges and other expenses related to transport;
- (14) limit of liability;
- (15) telephone number for inquiries; and
- (16) other necessary items related to transport of the parcels.

Article 4 (Check of contents of parcels)

- 1. If there is any doubt about the description of the parcels or any special note of caution in transport written in the address label, Yamato may check them with the consent of the shipper and in his/her presence.
- 2. If Yamato has checked the contents of a parcel pursuant to the provision of the preceding Paragraph, then in the case where the check has shown that there is no difference between the description of the parcel or the special note of caution in transport and what the shipper has written Yamato shall compensate for any damages arising from the check.
- 3. If Yamato has checked the contents of a parcel pursuant to the provision of Paragraph 1, the shipper shall bear the expenses for the check only when the check has shown that there is a difference between the description of the parcels or the special note of caution in transport and what the shipper has written.

Article 5 (Packing)

- 1. The shipper shall pack parcels in the manner suitable for transport according to the nature, weight, volume, etc. of the parcels.
- 2. If packing of parcels is not suitable for transport, Yamato may request the shipper to do proper packing of the parcels as necessary, or Yamato itself may properly pack the parcels as necessary at the expense of the shipper.

Article 6 (Refusal)

Yamato may refuse acceptance of transport of parcels if any of the following cases applies:

- (1) the shipping request does not comply with these Terms and Conditions;
- (2) the shipper fails to enter any necessary item on the address label or to give his/her/its consent to a check pursuant to the provision of Article 4, Paragraph 1;
- (3) the packing is not suitable for transport;
- (4) the shipper requests Yamato to bear a special obligation in relation to transport;
- (5) the transport, such as transport of private letter correspondence, violates laws and regulations, or is detrimental to public order, or injurious to public morals;
- (6) the parcels are any of the following items;
 - (a) explosives or other hazardous materials, dirty parcels or any similar parcels that are likely to cause damage to other parcels;
 - (b) parcels specifically determined by Yamato to be unacceptable;
 - (i) parcels to be refused due to their character;
 - cash and checks, bills, stock certificates and other negotiable securities;
 - credit cards, cash cards, and other cards;
 - remains, ancestral tablets and family Buddhist altar;
 - guns and swords;
 - dogs, cats, little birds and other live animals;
 - documents, etc., which are difficult to reissue (examination admission cards, passports, vehicle inspection certificates);
 - manuscripts, original drawings, tapes, films which are impossible to reproduce;

- combustible, inflammable and volatile parcels, such as fire works, heating oil, compressed gas cylinder and thinner;
- poisonous and toxic materials; or
- items containing various personal information.
- (ii) parcels to be refused due to their value;
 - where the value of any one parcel exceeds three hundred thousand Japanese yen (¥300,000)
- (7) Existence of unavoidable circumstances, such as natural disasters.

Article 7(Outer package label)

When receiving parcels, Yamato shall affix on the outer packing of the parcels a label stating the items referred to in Subparagraphs (1) through (8), Subparagraphs (10) and (11) (except where there are no written items) and Subparagraphs (14) and (15) of Article 3, Paragraph 1, and other necessary information.

Article 8 (Receipt of freight charges, etc.)

- 1. When receiving parcels, Yamato is entitled to receive the freight charges and other expenses related to transport which Yamato has reported to the Minister of Land, Infrastructure and Transport (hereinafter referred to as the "Freight Charge").
- 2. Notwithstanding the provision of the preceding Paragraph, Yamato may permit the shipper not to pay the Freight Charge when receiving parcels and instead receive the relevant Freight Charge from the recipient upon delivery of the parcels.
- 3. Yamato shall post the Freight Charges at its branch offices and other offices.
- 4. Yamato shall not rebate any part of the received Freight Charge.

Article 9 (Connecting transport or utilization transport)

To the extent not prejudicial to the shipper's interests, Yamato may transport the accepted parcels, in cooperation with any other facilities for transportation or by utilizing transport of any other freight truck transportation company or any other facilities for transportation.

Chapter 3 Delivery of Goods

Article 10 (Date of delivery, etc.)

- 1. Yamato shall deliver parcels by the following scheduled delivery date; provided, however, Yamato may deliver the same on the day following the scheduled delivery date by reason of transportation conditions, etc.:
 - (1) if the address label states a scheduled delivery date for the parcels; on such date;
 - (2) if the address label does not state a scheduled delivery date for the parcels, after a lapse of the number of days obtained by calculating, on the basis of the transport distance as set out below, from the date of receipt of the parcels as written on the address label (if the place where Yamato accepts transport or the destination is located in any of the isolated islands, mountainous areas or the like prescribed and specified by Yamato; after a lapse of a reasonable number of days from the date of receipt of the parcels);
 - (a) for the first four hundred kilometers (400 km) two (2) days;
 - (b) for each four hundred kilometers (400 km) of transport distance after the first four hundred kilometers (400 km) one (1) day.
- 2. Notwithstanding the provisions of the preceding Paragraph, if the shipper writes a requested delivery date in the address label and Yamato has accepted such transport, Yamato shall deliver the parcels by the requested delivery date; provided, however, Yamato may deliver the same on the day following the requested delivery date due to unavoidable reasons such as transportation conditions, etc.
- 3. If the shipper writes a requested time zone for delivery in the address label, Yamato shall deliver the parcels within the time zone as set forth in the following subparagraphs:
 - (1) if the address label does not state a requested delivery date, Yamato shall deliver the parcels within the specified time zone on the scheduled date, provided, however, Yamato may deliver the same after the specified time zone on the scheduled date or on the day following the scheduled date, due to transportation conditions, etc.; or
 - (2) if the address label states a requested delivery date, Yamato shall deliver the parcels within the specified time zone of the requested delivery date, provided, however, Yamato may deliver the same after the specified time zone on the requested delivery date or on the day following the requested

delivery date, due to unavoidable reasons such as transportation conditions, etc..

4. Notwithstanding the provisions of the preceding three (3) Paragraphs, if the shipper writes a purpose of use and the scheduled date and time of delivery for the parcels in the address label and Yamato has accepted such transport, Yamato shall deliver the parcels on the scheduled date and time for delivery of the parcels.

Article 11 (Delivery to person other than the recipient)

Yamato may deem delivery of parcels to a person as set forth in any of the following subparagraphs to be the delivery to the recipient:

- (1) if the designation is a residential house, any person with whom the recipient is living, or any person equivalent thereto; or
- (2) if the designation is not a residential house, the supervisor of the recipient or any person equivalent thereto.

Article 12 (Measures to be taken in the absence of recipient, etc.)

- 1. In the case where Yamato cannot deliver parcels due to the absence of the recipient or any other person set forth in the preceding Article, Yamato shall take custody of the parcels at any of its branch offices or other offices after giving the recipient a written notice stating the date and time when Yamato tried to deliver the parcels, the name of Yamato, the telephone number for inquiries and other information necessary to deliver the parcels (hereinafter referred to as the "Absence Memo").
- 2. Notwithstanding the provision of the preceding Paragraph, Yamato may entrust a neighbor of the recipient (including his/her concierge if the recipient is living in an apartment house) with delivery of the parcels to the recipient, by obtaining the consent from the neighbor. In such case, Yamato shall write the name of the neighbor whom Yamato has entrusted with delivery of the parcels in the Absence Memo.
- 3. Notwithstanding the provision of Paragraph 1, as for apartment houses, etc. having a cabinet dedicated to receipt of parcels that makes safe custody and storage of parcels possible (hereinafter referred to as the "Deposit Box"), Yamato may put the parcels in the Deposit Box by way of delivery of the parcels to the recipient. In such case, Yamato shall notify the recipient that it has used the Deposit Box by the Absence Memo or by the attached delivery notice.
- 4. Yamato may deliver the parcels at a different time and/or on a different day and/or to a different destination from the designated one, if the recipient requests it according to the service rules; however, when an individual parcel has a clearly visible notice

on the wrapping or the address label not to be forwarded, etc., the above-mentioned process will not apply to such case.

Article 13 (Cases where Agency can not deliver parcels)

- 1. If Yamato can not identify the recipient, or if the recipient fails or refuses to receive parcels, or can not receive parcels for any other reason, Yamato shall, without delay, request instructions from the shipper on 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 14 (Disposal of parcels that Yamato can not deliver)

- 1. When instructions as 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 the presence of a fair third party, after taking custody of the parcels for a period of three (3) months from the date when Yamato requested instructions from the shipper. If the parcels will deteriorate or are perishable and Yamato does not receive instructions within a reasonable period, Yamato may immediately sell or otherwise dispose of the parcels upon advance notice to the shipper.
- 2. When disposing 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 be able to apply the proceeds from the disposal to the expenses incurred by Yamato in requesting instructions and in taking custody and disposing of the parcels. If the proceeds are less than the expenses, Yamato shall be able to demand payment of the shortfall, and if the proceeds exceed the expenses, Yamato shall refund the excess to the shipper.

Chapter 4 Instructions

Article 15 (Instructions)

- 1. The shipper may give instructions to Yamato on cancellation of transport, return, forwarding or other disposal of parcels.
- 2. The right of the shipper set forth in the preceding Paragraph shall lapse when Yamato delivers the parcels to the recipient.

3. The shipper shall bear the expenses incurred by Yamato in disposing of the parcels under the instructions set forth in Paragraph 1.

Article 16 (When Yamato does not observe instructions)

- 1. Yamato need not observe instructions from the shipper if Yamato considers that observing the instructions might pose an obstacle to transport.
- 2. When Yamato does not observe instructions pursuant to the provision of the preceding Paragraph, Yamato shall notify the shipper thereof without delay.

Chapter 5 Accidents

Article 17 (Measures in case of accidents)

- 1. When a loss of parcels is discovered, Yamato shall notify the shipper thereof without delay.
- 2. On discovering significant damage to parcels, or on finding the delivery of parcels to be seriously delayed beyond the scheduled delivery date of parcels or the requested delivery date, Yamato shall, without delay, request instructions from the shipper on handling measures of the parcels, specifying a reasonable period.
- 3. In a case set forth in the preceding Paragraph 2, if there is no time to wait for instructions from the shipper, or if Yamato does not receive instructions within the period specified by Yamato, Yamato may cancel transport of, return, or otherwise properly dispose of the parcels, for the benefit of the shipper.
- 4. When disposing the parcels pursuant to the provision of the preceding Paragraph, Yamato shall notify the shipper thereof without delay.
- 5. Notwithstanding the provisions of Paragraph 2, Yamato need not observe instructions of the shipper if Yamato considers that observing the instructions might pose an obstacle to transport.
- 6. When Yamato does not observe instructions pursuant to the provision of the preceding Paragraph, Yamato shall notify the shipper thereof without delay.
- 7. The expenses incurred by Yamato in requesting instructions and disposing of the parcels according to the instructions as set forth in Paragraph 2, or in disposing the parcels pursuant to the provision of Paragraph 3, shall be borne by the shipper, if the loss of or delay of the parcels is attributable to the shipper or due to the nature of or a defect in the parcels. Such expenses shall be borne by Yamato in other cases.

Article 18 (Disposal of hazardous materials, etc.)

- 1. If, in the course of transport, Yamato becomes aware that the parcels fall under the category set forth in Article 6, subparagraph (6) (a), Yamato shall be able to unload the parcels or otherwise take measures necessary to prevent damage related to transport.
- 2. The shipper shall bear the expenses incurred by Yamato in taking measures as set forth in the preceding Paragraph.
- 3. When taking measures pursuant to the provision of the above Paragraph 1, Yamato shall notify the shipper thereof without delay.

Article 19 (Issue of accident certificate)

- 1. When Yamato is requested to certify a loss of parcels within one (1) year after the scheduled delivery date of parcels or the requested delivery date, Yamato shall issue an accident certificate.
- 2. When Yamato is requested to certify damage to parcels or a delay in delivery of parcels within fourteen (14) days of a delivery date, Yamato shall issue an accident certificate.

Chapter 6 Liability

Article 20 (Commencement of liability)

The liability of Yamato for loss of or damage to parcels shall arise when Yamato receives the parcels from the shipper.

Article 21 (Liability and burden of proof)

Yamato shall be liable to compensate for loss of, damage to, or a delay in delivery of parcels, unless Yamato proves that it or its employees or any other persons employed by it for transport service did not fail to take care in receipt, delivery, storage and transport of the parcels.

Article 22 (Discharge from liability)

Yamato shall not be liable to compensate for loss of, damage to, or a delay in delivery of parcels resulting from any of the events listed in the following subparagraphs:

(1) a defect in or natural wear and tear of the parcels;

- (2) ignition, explosion, rot, mold, decay, change in color, rust or any other similar event, caused by the nature of the parcels;
- (3) labor slowdown or strike, social unrest or any other incidents or robbery;
- (4) fire beyond control;
- (5) an unforeseeable extraordinary hazard to traffic conditions;
- (6) an earthquake, tidal wave, tidal surge, flood, storm, landslide, avalanche or any other natural disaster;
- (7) suspension of transport, unsealing, condemnation, attachment or surrender to any third party pursuant to laws or regulations or the exercise of public authority; or
- (8) an error in writing of information to be entered by the shipper in an address label, or other willfulness or negligence of the shipper or the recipient.

Article 23 (Special provisions on parcels subject to restriction on acceptance)

- 1. Yamato shall not be liable to compensate for loss of, damage to, or a delay in delivery of parcels falling under the category set forth in Article 6, subparagraph (5).
- 2. Yamato shall not be liable to compensate for loss of, damage to, or a delay in delivery of parcels falling under the category set forth in Article 6, subparagraph (6), if Yamato has accepted transport without knowing the fact.
- 3. With respect to parcels requiring special attention, such as items that are frangible, subject to deterioration or perishable, if the shipper fails to write such nature of the parcels in the address label and Yamato does not know the fact, Yamato shall not assume liability to compensate for loss of or damage to the parcels, resulting from the failure to pay special attention in transport.

Article 24 (Special extinction of liability event)

- 1. Yamato's liability for damage to parcels shall cease fourteen (14) days after the date of delivery of the parcels, unless a notice is issued within that period.
- 2. The provision of the preceding Paragraph shall not apply to any case where Yamato delivered the parcels knowing the damage.

Article 25 (Amount of compensation)

- 1. Yamato shall pay the value of the parcel (which is the value at the place of shipment; hereinafter the same shall apply) as compensation for loss of a parcel, within the limit of liability specified in the address label (hereinafter referred to as the "Limit of Liability").
- 2. Yamato shall make compensation for damage to parcels on the basis of the value of the parcels, according to the extent of the damage within the Limit of Liability.
- 3. Notwithstanding the provisions of the preceding two (2) Paragraphs, if it is determined obvious that compensation pursuant to the provisions of the preceding two (2) Paragraphs would cause the shipper or the recipient substantial loss or damage, Yamato shall make appropriate compensation within the Limit of Liability.
- 4. Yamato shall make compensation for a delay in delivery of parcels as follows:
 - (1) in cases referred to in Article 10, Paragraphs 1 through 3, Yamato shall make compensation for property damage resulting from a failure to deliver parcels by the day following the scheduled date of parcels delivery or the day following the requested delivery date, up to the Freight Charge, unless Yamato has notified the recipient through an Absence Note as set forth in Article 12 by the day following the scheduled date for delivery of parcels or the day following the requested delivery date;
 - (2) In cases referred to in Article 10, Paragraph 4, Yamato shall make compensation for property damage resulting from unavailability of the parcels on the specified date and time, within the Limit of Liability.
- 5. If loss of or damage to parcels and damage from a delay in delivery of the parcels occur concurrently, Yamato shall pay the sum of damages set forth in Paragraphs 1, 2 or 3 and the preceding Paragraph 4, within the Limit of Liability.
- 6. Notwithstanding the provision of the preceding five (5) Paragraphs, when willfulness or gross negligence of Yamato causes loss of, damage to, or a delay in delivery of parcels, Yamato shall compensate for any and all damage resulting therefrom.

Article 26 (Reimbursement of Freight Charge)

If a natural disaster or other unavoidable event or any event attributable to Yamato causes loss of, damage to, or a delay in delivery of parcels (only in a case referred to in Article 10, Paragraph 4), Yamato shall reimburse the Freight Charge. In such a case, Yamato shall not claim the relevant Freight Charge, if we have not yet received the same.

Article 27 (Prescription)

- 1. The liability of Yamato shall cease by prescription one (1) year after the date when the recipient has received the parcels.
- 2. In the case of a loss of parcels, the period set forth in the preceding Paragraph shall be reckoned from the scheduled date of delivery of parcels or the requested delivery date.
- 3. The provisions of the preceding two (2) Paragraphs shall not apply to cases where Yamato knew of the damage.

Article 28 (Liability in connecting transport or utilization transport)

Even if Yamato transports parcels in cooperation with any other facilities for transportation or by utilizing any other freight truck transportation company or any other facilities for transportation, Yamato shall assume liability for transport in accordance with these Terms and Conditions.

Article 29 (Shipper's liability for compensation)

The shipper shall assume liability to compensate Yamato for damages incurred by Yamato due to a defect in or the nature of the parcels, provided that this shall not apply in the case where the shipper, without negligence, had no knowledge of the nature of or the defect in the parcels, or Yamato knew of such nature or defect.

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